



ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

COUNTY COUNCIL

Steven D. Murdaugh
Art Williams
Phillip M. Taylor, Sr.
Gene Whetsell
Joseph F. Flowers, MD

COUNTY ADMINISTRATOR

J. Kevin Griffin

FINANCE DIRECTOR

Jon Carpenter

Prepared by:
Finance Department

COLLETON COUNTY, SOUTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

| | |
|--|--------|
| Table of Contents | i – iv |
| Letter of Transmittal | v – xi |
| Certificate of Achievement for Excellence in Financial Reporting | xii |
| Organizational Chart..... | xiii |
| List of Principal Officials | xiv |

FINANCIAL SECTION

| | |
|--|--------|
| Independent Auditor's Report | 1 – 3 |
| Management's Discussion and Analysis | 4 – 18 |

Basic Financial Statements:

Government-wide Financial Statements:

| | |
|---------------------------------|----|
| Statement of Net Position | 19 |
| Statement of Activities | 20 |

Fund Financial Statements:

| | |
|--|-----------|
| Balance Sheet – Governmental Funds | 21 and 22 |
| Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position | 23 |
| Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds | 24 and 25 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 26 |
| Statement of Fiduciary Net Position – Custodial Funds..... | 27 |
| Statement of Changes in Fiduciary Net Position – Custodial Funds | 28 |

| | |
|--|---------|
| Notes to the Financial Statements..... | 29 – 79 |
|--|---------|

Required Supplementary Information:

| | |
|---|----|
| Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual – General Fund..... | 80 |
| Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual – Special Revenue Fund..... | 81 |
| Schedule of Proportionate Share of the Net Pension Liability: | |
| South Carolina Retirement System – Primary Government | 82 |
| Police Officers' Retirement System – Primary Government..... | 82 |
| South Carolina Retirement System – Fire and Rescue Commission | 83 |
| Police Officers' Retirement System – Fire and Rescue Commission..... | 83 |
| South Carolina Retirement System – Memorial Library | 84 |

COLLETON COUNTY, SOUTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS (CONTINUED)

Page

FINANCIAL SECTION (CONTINUED)

Required Supplementary Information (Continued):

Schedule of Contributions:

| | |
|--|----|
| South Carolina Retirement System – Primary Government | 85 |
| Police Officers' Retirement System – Primary Government..... | 85 |
| South Carolina Retirement System – Fire and Rescue Commission | 86 |
| Police Officers' Retirement System – Fire and Rescue Commission..... | 86 |
| South Carolina Retirement System – Memorial Library | 87 |
| Retirement Plan Assumptions | 88 |
| OPEB Retirement Plan – Schedule of Changes in the Primary Government's Total OPEB Liability and Related Ratios | 89 |
| OPEB Retirement Plan – Schedule of Changes in the Fire and Rescue Commission's Total OPEB Liability and Related Ratios..... | 90 |
| OPEB Retirement Plan – Schedule of Changes in the Memorial Library's Total OPEB Liability and Related Ratios | 91 |

Other Supplementary Information:

| | |
|--|---------|
| Combining Balance Sheet – Nonmajor Governmental Funds | 92 – 94 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Government Funds..... | 95 – 97 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual | |
| Clerk of Court IV Incentives | 98 |
| Clerk of Court IV Unit Costs..... | 99 |
| Victim Witness Services | 100 |
| Animal Care Control Donations..... | 101 |
| Emergency Telephone..... | 102 |
| County Hospitality Tax | 103 |
| County Accommodations Tax | 104 |
| Debt Service..... | 105 |
| Capital Sales Tax Debt Service..... | 106 |
| Debt Service Non-GOB | 107 |
| Capital Projects Fund | 108 |

Custodial Funds:

| | |
|---|-------------|
| Combining Statement of Fiduciary Net Position | 109 and 110 |
| Combining Statement of Changes in Fiduciary Net Position..... | 111 and 112 |

COLLETON COUNTY, SOUTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS (CONTINUED)

Page

FINANCIAL SECTION (CONTINUED)

Other Supplementary Information (Continued):

Component Units

Fire and Rescue Commission:

| | |
|---|-----|
| Balance Sheet | 113 |
| Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position | 114 |
| Statement of Revenues, Expenditures and Changes in Fund Balances | 115 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities..... | 116 |
| Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual | 117 |

Memorial Library:

| | |
|---|-----|
| Balance Sheet | 118 |
| Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position | 119 |
| Statement of Revenues, Expenditures and Changes in Fund Balances | 120 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities..... | 121 |
| Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual | 122 |

| | |
|--|-------------|
| Uniform Schedule of Court Fines, Assessments, and Surcharges (per ACT 96)..... | 123 and 124 |
|--|-------------|

STATISTICAL SECTION

Financial Trends:

| | |
|---|-----|
| Net Position by Component | 125 |
| Changes in Net Position | 126 |
| Fund Balances – Governmental Funds | 127 |
| Changes in Fund Balances – Governmental Funds | 128 |

Revenue Capacity:

| | |
|---|-----|
| Assessed Value and Estimated Actual Value of Taxable Property | 129 |
| Direct and Overlapping Property Tax Rates | 130 |
| Principal Property Taxpayers..... | 131 |
| Property Tax Levies and Collections | 132 |

COLLETON COUNTY, SOUTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS (CONTINUED)

Page

STATISTICAL SECTION (CONTINUED)

Debt Capacity

| | |
|---|-----|
| Ratios of Outstanding Debt by Type | 133 |
| Ratios of General Bonded Debt Outstanding | 134 |
| Direct and Overlapping Governmental Activities Debt | 135 |
| Legal Debt Margin Information..... | 136 |
| Pledged Revenue Coverage | 137 |

Demographic and Economic Information:

| | |
|-----------------------------|-----|
| Demographic Statistics..... | 138 |
| Principal Employers | 139 |

Operating Information:

| | |
|---|-----|
| Full-time Equivalent County Government Employers by Function..... | 140 |
| Operating Indicators by Function | 141 |
| Capital Asset Statistics by Function/Program | 142 |

INTRODUCTORY SECTION



December 27, 2021

To The Honorable Chairman and Honorable Members of County Council and the Citizens of Colleton County, South Carolina:

State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted accounting standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of Colleton County, South Carolina (the "County") for the fiscal year ended June 30, 2021.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework, which is designed both to protect the government's assets from loss, theft, or misuse and to compile enough reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Mauldin & Jenkins LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involves examining on a test basis, evidence supporting the amounts and disclosures in the financial statement presentation; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The County was founded in 1682 through a land grant to Sir John Colleton by King Charles II, of England and was one of the original proprietary counties in the present-day Carolinas. It was officially formed in 1798 and is in the southeastern part of South Carolina bordering on the Atlantic Ocean. The County is in the Lowcountry region of South Carolina, and it is located midway between Charleston, South Carolina and Savannah, Georgia on the I-95 corridor. The County occupies a large land area that is 1,056.48 square miles and has a population of roughly 38,600.

The County is empowered to levy a property tax on both real and personal properties located within its boundaries. The County operates under the Council-Administrator form of government. Policy-making and legislative authority are vested in a governing council consisting of five members. In addition to policy-making and legislative authority that are vested with the Council, they also have the responsibility to pass ordinances, adopt the budget, appoint committees, and hire both the County Administrator and County Attorney. The County Administrator is responsible for the administration of all the departments of the County government which County Council has the authority to control. The powers and duties of the County Administrator include: 1) executing policies, directives, and legislative actions of County Council; 2) directing operational and administrative activities of the County; 3) preparing annual budgets; 4) supervising the expenditure of funds; and 5) employing and discharging personnel. The five Council members are each elected from residence districts or at-large for four-year staggered terms, with three council members elected every two years, and two elected every two years. County elections occur in the fall of even-numbered years.

The County provides a full range of services including:

- (1) Public Safety (including law enforcement, County-wide emergency dispatch services and detention facilities).
- (2) Fire and Rescue (including emergency preparedness, emergency medical services and fire protection in the unincorporated areas of the County through 34 fire stations).
- (3) Animal and Environmental Control.
- (4) Public Works (including street and drainage maintenance).
- (5) Solid Waste Management (waste disposal and recycling at the County landfill and 15 convenience sites).
- (6) Judicial Administration (including prosecuting and public defender legal services, criminal, civil, probate and family court administration).
- (7) Tax Collection and Disbursal.
- (8) Libraries.
- (9) Recreation (Recreation Center, Community Centers, Dogwood Hills Golf Course and Restaurant, Colleton County Museum and Commercial Kitchen, Colleton Civic Center and Colleton County Farmers Market).
- (10) Planning and Zoning Administration.
- (11) Veterans Assistance.

The annual budget serves as the foundation for the County's financial planning and control. All departments of the County are required to submit requests for appropriations to administration during the spring of each year. The County Administrator uses these requests as the starting point for developing a proposed budget. The County Administrator then presents this proposed budget to the Council for review during May of each year. The Council is required to hold a public hearing on the proposed budget and to adopt a final budget prior to June 30th, the close of the County's fiscal year. The appropriated budget is prepared by fund and department. Budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is maintained by the Administrator at the fund level and may be amended as necessary during the fiscal year. Budget-to-actual comparisons are provided in the report for each individual department by governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the required supplementary information for governmental funds.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Economic Factors

The County's fiscal year 2021 assessable property tax base is \$193,167,536 which represented growth of 6.8% from 2020's assessable property tax base of \$180,910,266. This growth in assessed values was driven in part by growth in real property that is a result of the continued high volume of home sales and home refinancing activity due to mortgage rates remaining near historical lows. The home refinancing has led residents to undertake building new homes as well as existing home renovations as seen in the over 1,300 building permits issued that total valuation of \$45.3 million. In addition, personal property assessed values saw significant growth based on previously announced business expansions as well as new businesses beginning operations in the County. As reported by the U.S. Census Bureau, median household income for the County in 2021 was forecasted at \$36,324 which continues to be less than 70% of the median household income of the State of South Carolina that was reported at \$53,199. The County is continuing to rebound from the economic impact incurred from COVID-19 during fiscal year 2020. This rebound is evidenced by the reduction in County unemployment which was 4.7% as of June 2021 as compared to 8.2% as of June 2020. Unemployment in the County was roughly the same as the rate for South Carolina of 4.5% and slightly better than the U.S. rate of 6.1%. The rebound was also seen in the growth in retail sales which increased by over 9% for the year and drove increases in collection of 1% local option taxes, 1% capital projects taxes, and 2% local hospitality taxes. The U.S. Census Bureau reported the April 2020 population for the County to be 38,604 as compared to the April 2010 census of 38,892 which represents less than a 1% decrease in population. County population continues to be primarily located within the Walterboro City Census Division ("CCD") as well as near the other CCDs within the County, including the Hendersonville CCD and Cottageville CCD. Given the stagnant population, the median age of the County remains at 42.5 which is roughly 10% higher than the median age in South Carolina of 39.4 and in the United States of 38.1. Housing in the County continues to be dominated with owner occupied units with over 75% as compared to the State of South Carolina average of 70% based on the most recently available data. Median home values have increased to \$130,870, which is up 45% from the previously reported amount of \$90,400 though it is still lower than the State of South Carolina average of \$228,000.

A large part of the County is served with easy access to Interstate 95 with five interchanges that include exits 42, 53, 57, 62 and 68. In addition to this major interstate artery, the County has direct access to both Highway 17 and Highway 17A that provide connection to the cities and towns of Charleston, Beaufort, Savannah, and Summerville. The City of Walterboro is situated between exits 53 and 57 off Interstate 95 and is currently beginning the infrastructure work related to the final phase of the I-95 business loop improvement project that is funded with a portion of the proceeds from the Capital Project Sales Tax referendum that voters approved in November 2014. This project is geared to improve the access of visitors into the downtown area from I-95 as well as from South Carolina Highways 17A and 64 that connects to South Carolina Highway 17.

Economic Development Goals and Strategies

Fiscal year 2020-2021 posed some significant challenges to Colleton County Economic Development based on many corporate planners' inability to forecast their respective company's future growth needs. This inability to forecast did cause several active projects to be shelved along with companies "tightening their belts" based on the thinking that consumers would curtail their spending. For a lot of industries, just the opposite occurred, and many companies are now trying to get their projects off the shelf and back on track.

During the fiscal year, the County has been able to add two new manufacturing companies and had two existing manufacturers expand their local presence. HOS Boatworks acquired an existing industrial site with Interstate 95 frontage and is planning to invest \$250 thousand and employing a staff of 15 to manufacture their specialty flat and bay boats. In addition to HOS Boatworks, Apex Mattress Company purchased an existing industrial site and is planning to invest \$2.3 million and employing 49 to manufacture mattresses for various retail and e-commerce businesses. The company plans to be operational during the first quarter of calendar year 2022. Carolina Textiles and Paper Converters, both existing County manufacturers, announced industrial expansion projects. The expansions represent a combined investment of \$2.6 million and up to 30 new jobs.

The County continues to invest time and resources in the development of three major County industrial sites. The sites are the Colleton Mega Site, the Stokes Tract, and the Colleton Industrial Campus. Both the Colleton Mega Site and the Stokes Tract are key industrial sites to support the financing undertaken in 2017 related to the purchase of the Salkehatchie Railroad.

During the summer, the remaining piece of sewer right-of-way was purchased so that the engineering can begin on a sewer line to the Colleton Mega Site. Once the engineering is complete in early 2022, the County will begin applying for federal and state infrastructure grants to fund construction of the sewer line.

The Stokes Tract will require both sewer and water infrastructure and during fiscal year 2021-2022, the County was conditionally awarded an engineering grant from LocateSC. The funding condition requires a two-year extension to the existing three-year option agreement and negotiations are ongoing.

In addition to the two major sites on the rail line, the Colleton Industrial Campus is a major site with two miles of frontage on Interstate 95 at exit 62. The site owners have completed all site due diligence, including wetlands fill permits and wetlands bank credits purchased to satisfy the wetlands impact mitigation. With the industrial sized infrastructure in place, the site represents a solution for a specialized operation that requires a greenfield site to build upon.

Outside of our three major industrial sites, the County continues to develop and promote the Colleton Venture Park and the Colleton County Commerce Center. In late 2021, the construction contract was signed to bring water and sewer to Colleton Venture Park through grant funds from U.S. Economic Development Administration and South Carolina Rural Infrastructure Authority. Now that water and sewer infrastructure construction is underway, the County will work on the development of the necessary improvements needed at the entrance for truck turning radius. The previously announced tenants for two sites within the Colleton Venture Park had both put their projects on hold as the pandemic unfolded, though one tenant has announced a plan to begin construction in mid-2022. At the Colleton County Commerce Center, the last undeveloped site in the park has now been cleared, filled and rough graded with funds from a LocateSC grant and is now a contender to attract an employer.

Labor continues to be a challenge for both new and existing companies in the County and across the United States. Colleton County Economic Development did host a recruiting and hiring strategies lunch with various manufacturers in the County where they heard from two manufacturing HR consultants about how to reach and attract candidate workers and retain those workers. The bottom line presented by the consultants is that there is available labor, but companies must be willing to pay realistic wages that are coupled with a good benefits package.

Recreation and Culture

The County offers some of the best opportunities for residents and visitors to enjoy both indoor and outdoor activities. The County's recreation center known as the ACE Basin Sports Complex continues to be a prime venue in the area as it hosts numerous baseball and softball tournaments. During fiscal year 2020-2021, the recreation center saw a return of some youth sports as well as other offered activities that were not available during the last half of the previous fiscal year. With the renovations that were completed to the recreation center during 2020, the gym and fitness center are in exceedingly high demand based on total visits being up over 25% from the previous year. Additional improvements are planned at the recreation center, with funds allocated in the State budget for the development of a miracle league field (inclusive ball field).

The County-owned Dogwood Hills Golf Course and Restaurant is another venue that is popular with residents of the County. The golf course had its busiest year since the County purchased it in 2015, with revenues up over 30% from the previous year. This growth was due to individuals' usage of the course as tournaments hosted remained flat based on organizations continuing to utilize other fundraising methods. The restaurant was able to offer full-service restaurant services for the entire fiscal year and did see small growth in sales of roughly 5% from fiscal year 2020 that had been impacted by the Governor's stay-at-home mandate that was in effect during part of fiscal year 2020. The restaurant also saw a return of catering volumes during fiscal year 2021, which increased 20%, though still slightly lower than pre-COVID-19 levels. Several improvements are planned during the upcoming fiscal year for Dogwood Hills to improve and enhance these popular venues.

Colleton County Commercial Kitchen, Museum and Farmers Market all continue to grow in popularity with various local vendors that utilize the commercial kitchen space in development of their products as well as the centrally located museum and farmers market retail venues that are continuing to see strong attendance. In addition to vendors, the Commercial Kitchen is heavily utilized by the County's Summer Feeding Program, which is now providing over 8,000 meals per day that are now delivered door to door and centralized sites. During the upcoming fiscal year, a separate site is being developed to support the feeding program so that Commercial Kitchen will offer additional availability to local vendors. Museum staff is planning to offer more events and festivals during the upcoming year, which will allow our food and other vendors' retail opportunities.

Colleton County Memorial Library continues to be busy with over 42,000 in person visits to all locations. In addition to the main library in Walterboro, the library has branches in both Edisto Beach and Cottageville that are open three days a week as well as continuing to operate the book mobile that provides service throughout the County. One of the most popular services offered by the library is computer usage, as there were over 12,200 sessions during the past fiscal year. Though COVID-19 has impacted some of the library offerings, they continue to offer a wide range of programs for residents both young and old. During the past fiscal year, over 61 in-person programs were provided that saw total attendance of 491. In response to COVID-19, the library has also increased virtual program offerings with over 267 virtual opportunities provided during the past fiscal year.

In addition to all the opportunities sponsored through County venues, the area boasts easy access to many of South Carolina's best eco-tourism spots, including the ACE Basin, the Walterboro Wildlife Sanctuary, Edisto State Park, Colleton State Park, and several other South Carolina Department of Natural Resources wildlife management areas.

Long-Term Financial Planning

The County closed fiscal year 2021 with improved financial performance and continues to hold the rating of Aa3 with Moody's Investor Services and AA- with Standard and Poor's Rating Services. Moody's rating was reaffirmed in June 2021 that cited the County's financial position was healthy with a strong cash balance as a percent of operating revenues and overall light debt burden though economy and tax base continue to lag, with median family income at 56.8% of the U.S. level. Total fund balance as of June 30, 2021 in the General Fund was \$9,927,226 of which \$9,131,378 was unassigned which represents a \$967 thousand increase in total fund balance when compared to total fund balance as of June 30, 2020 of \$8,960,252, of which \$7,787,399 was unassigned. These total fund balance

figures represent 31% and 29% of total expenditures, respectively. The County budget ordinance requires the total general fund balance to be a minimum of 20% of total expenditures. An additional reference point to the strength of the County's general fund balance position, the Government Finance Officers Association of the United States and Canada ("GFOA") recommends, at a minimum, that a general-purpose government maintain an unrestricted fund balance of no less than two months operating expenditures as outlined in its September 2015 Appropriate Level of Unrestricted Fund Balance in the General Fund "Best Practice" bulletin and currently the County has roughly 104 days in its General Fund unassigned fund balance.

Relevant Financial Policies

The County's financial processes are guided by formal and informal policies that have been designed to provide a consistent and measurable framework for County decision makers.

The County, as a political subdivision of the State of South Carolina, is required to prepare and maintain a balanced budget. For the fiscal year ended June 30, 2021, the County's budget was balanced. The County maintains an open budget process by providing for input from County administration, department directors, elected officials, community agencies, County municipal governments and the public as budget priorities and funding is determined for the upcoming year.

The County constantly updates the various forecasting models used in both revenue and expenditure forecasting to reduce the risk of miscalculation. These models do utilize a number of factors that could contribute to a change in a particular revenue or expenditure. For example, building permits would be forecasted based on any planned developments, historical permit volume of existing home improvements and known economic commercial development. In contrast, building repairs and maintenance would be forecasted based on age and condition rating applied to a particular building and forecasted change in the Consumer Price Index that would impact materials and contract labor costs. In all cases, the starting point is to evaluate prior year actual and trends and to then apply any positive or negative adjustment related to the appropriate forecast model. The overall goal of revenue forecasting is to minimize the risk of overstating or understating revenues that could lead to overspending available resources or arbitrarily restricting expenditures and thus limiting services to residents.

Major Initiatives

The last of projects approved by voters with the Capital Projects Sales Tax got underway during the last quarter of fiscal year 2021-2022. These projects include the final phase of the City of Walterboro I-95 business loop which was undertaken to rehab and provide appeal to the Jefferies Blvd/Bells Highway span between exits 53 and 57 on I-95 to attract more visitors and tourists to the historic downtown of Walterboro. In addition to this project, the construction of the Taxpayer Service building has gotten underway. This building is being constructed to house the offices of the Treasurer, the Auditor and Delinquent Tax. The building will provide a more streamlined and efficient manner for residents to access these offices. At the same time of this construction, the current office building, the Harrelson Building, is undergoing planning and design to reengineer this building to allow for better access by residents to the offices of the Assessor, Planning and Development, Register of Deeds and Human Resources. The last part of this project is design and construction of a central parking area for visitors to the various County offices. The parking project will go out to bid during the last quarter of calendar year 2021 with construction starting during early calendar year 2022.

Planning is already underway for the next group of County-wide projects that would be funded if voters approved the reissuance of this tax. This CPST commission of six has been appointed through the various governmental entities within the County. Projects for consideration will first go through contracted engineering firm for budgeting and then will go before the Commission for consideration and recommendation. The referendum will go to the voters in November 2022 and would include ballot questions to approve the list of projects as well as approve the issuance of general obligation bonds to defray the cost of the projects with the capital project sales tax collections to pay the debt service on the bonds.

The County is continuing to move fleet vehicles from a purchased vehicle standpoint to a leased vehicle standpoint through Enterprise Fleet Management. The decision to make this change was based on allowing the County to provide employees with a safer vehicle, to reduce maintenance costs and to improve fuel efficiency and thus reduce fuel cost. At the end of fiscal year 2018-2019, total county vehicle fleet (excluding heavy trucks and equipment) was 174 vehicles that had an average age of 13 years. Beginning in fiscal year 2019-2020, the County began to replace its fleet vehicles over a five-year plan, with the bulk of the replacements occurring during the first fiscal year of implementation. Once all existing fleet vehicles had been replaced, vehicles would typically be replaced on a five-year basis depending on usage (mileage) as well as identified opportunities to early replacement based on the retail used car market.

Moving the County vehicle fleet to a leased vehicle standpoint has allowed the County to use lease purchase financing funds on replacement of heavy trucks and equipment. In fiscal year 2017-2018, the landfill engineer identified that due to the age and condition of the County-owned landfill compactor, the compaction rate at the County C&D landfill was less than optimal and was significantly impacting the remaining life of the landfill. As part of the budget for the upcoming fiscal year 2021-2022, the County will be entering into a new \$5.5 million lease purchase financing with a five-year repayment schedule. \$2.75 million of these funds will go to replace heavy trucks and equipment in Solid Waste (including the landfill compactor) and Roads and Bridges and the other \$2.75 million will go to replace ambulances and fire trucks for Colleton County Fire Rescue.

Awards and Acknowledgments

GFOA awards a Certificate of Achievement in Financial Reporting. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. Since 2014, the County has been awarded a Certificate of Achievement for Excellence in Financial Reporting award. A Certificate of Achievement is valid for a period of one year only. We believe our current report will conform to certificate of achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for a certificate.

The preparation of the annual comprehensive financial report would not have been possible without the assistance of the Finance Department staff, the Treasurer's office and several other County departments and staff. The arduous work and dedication of these individuals significantly contributed to the completion of this document. Moreover, the support and leadership of the County Council have been instrumental in the development of this project.

Sincerely,



J. Kevin Griffin
County Administrator



Jon Carpenter
Finance Director

COLLETON COUNTY, SOUTH CAROLINA
GFOA CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE
IN FINANCIAL REPORTING
JUNE 30, 2021



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Colleton County
South Carolina**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

COLLETON COUNTY VOTERS

COLLETON COUNTY GOVERNMENT

BOARD OF EDUCATION

SUPERINTENDENT OF EDUCATION

SCHOOL OPERATIONS

CONSTITUTIONAL & GENERAL ASSEMBLY CREATED OFFICES

AUDITOR

CLERK OF COURT

CORONER

SHERIFF

E-911

JAIL

TREASURER

COLLETON COUNTY COUNCIL

COUNTY ATTORNEY

CLERK TO COUNCIL

ALCOHOL & DRUG COMMISSION

LIBRARY BOARD

COUNTY ADMINISTRATOR

Chief Financial Officer

Accounts Payable/Payroll
Accounting/Audits
Debt Management
Fixed Assets/ Reporting
Purchasing

Administrative Services Director

Public Relations
Governmental Affairs
Insurance Services
Legal Liaison

County Engineer

Project Management
CTC

Capital Projects

GENERAL COUNTY OPERATIONS

JUDICIAL

PROBATE JUDGE

PUBLIC DEFENDER

SOLICITOR

CIRCUIT COURT

FAMILY COURT

MAGISTRATES

LEGISLATIVE DELEGATION

BOARD of ELECTIONS & VOTER REGISTRATION

VETERAN'S AFFAIRS OFFICE

COUNTY TRANSPORTATION COMMITTEE (CTC)

DELEGATION SECRETARY

ANIMAL & ENVIRONMENTAL CONTROL

•Adoptions
•Pickup and Protection
•Ordinance Enforcement
•Emergency

FACILITIES MGMT

•Building Maintenance
•Custodial Services
•Landings
•Grounds Maintenance

ECONOMIC DEVELOPMENT

•Industrial Parks
•Project Recruiting
•Expansion & Retention
•Workforce Dev.
•Partnerships

FIRE/ RESCUE

•Fire Response Services
•Ambulatory Services
•Rescue Services
•Fire Prevention
•Emergency Management

TECHNOLOGY

•IS Plan
•IS Operations & Installations
•LAN/WAN Maintenance
•IP Phone System
•GIS System

MUSEUM

•Operations Community Activities
•Farmers Market
•Commercial Kitchen
•Fundraising

PLANNING & DEVELOPMENT

•Land Use Planning/ Administration
•Flood Plain Administration
•Building Inspection
•Nuisance Enforcement

Human Resources

•Risk Management
•Personnel
•Benefits

ROADS & BRIDGES

•Road Repair Maintenance
•Paved Road Repairs

SOLID WASTE

•Transfer Station
•Convenience Centers
•C&D Landfill

TAX ASSESSOR

•Land Use/Tax Determinations
•Re-Appraisal

FLEET MGMT

•Vehicle Repair Maintenance
•Vehicle Purchasing
•Project Management

DELINQUENT TAX

•Delinquent Property Tax Collection
•Mobile Home Decal

Register of Deeds

•Plats
•Deeds
•Recording

Recreation

•Parks
•Active Recreation
•Fitness
•Golf Course

Risk Management

•Safety
•Workers' Comp.



COLLETON COUNTY
SOUTH CAROLINA

COLLETON COUNTY, SOUTH CAROLINA

LIST OF PRINCIPAL OFFICIALS JUNE 30, 2021

| | |
|---------------------------|-----------------------|
| County Administrator..... | J. Kevin Griffin |
| Chairman..... | Steven D. Murdaugh |
| Council Member | Art Williams |
| Council Member | Phillip M. Taylor Sr. |
| Council Member | Gene Whetsell |
| Council Member | Joseph F. Flowers, MD |
| Finance Director | Jon Carpenter |
| Auditor | Jeff Slocum |
| Clerk of Court | Rebecca H. Hill |
| Treasurer | Becky S. Hill |
| Sheriff | Guerry Hill |
| Coroner | Richard M. Harvey |
| Probate Judge | Ashley H. Amundson |
| Chief Magistrate | Keisha D. Gadsen |

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**Colleton County Council
of Colleton County
Colleton County, South Carolina
Walterboro, South Carolina**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Colleton County, South Carolina** (the "County"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 12, Colleton County, South Carolina implemented Governmental Accounting Standards Board ("GASB") Statement No. 84, Fiduciary Activities, as of July 1, 2020. This standard significantly changed the accounting for the County's fiduciary funds. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 – 18), the Budgetary Comparison Schedule of the General Fund (on page 80), the Budgetary Comparison Schedule of the Special Revenue Fund (on page 81), the Schedules of the Proportionate Share of the Net Pension Liability (on pages 82 – 84), the Schedules of Pension Contributions (on pages 85 – 88), and the Schedules of Changes in Total OPEB Liability and Related Ratios (on pages 89 – 91) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, combining statement of fiduciary net position and combining statement of changes in fiduciary net position, the individual financial statements and schedules of the County's discretely presented component units, and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Uniform Schedule or Court Fines, Assessments, and Surcharges (per ACT 96) is presented for purposes of additional analysis as required by the State of South Carolina, and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, combining statement of fiduciary net position and combining statement of changes in fiduciary net position, the individual financial statements and schedules of the County's discretely presented component units, and the Uniform Schedule or Court Fines, Assessments, and Surcharges (per ACT 96) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, combining statement of fiduciary net position and combining statement of changes in fiduciary net position, the individual financial statements and schedules of the County's discretely presented component units, and the Uniform Schedule or Court Fines, Assessments, and Surcharges (per ACT 96) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 27, 2021

COLLETON COUNTY, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

As management of Colleton County, South Carolina, (the "County") we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2021. Please read this information in conjunction with the detail statements and notes to the financial statements to achieve a better understanding of the County's financial performance for the fiscal year.

Financial Highlights

- The assets plus deferred outflow of resources of the County exceed its liabilities plus deferred inflows of resources at the close of the most recent fiscal year by \$36,068,412 (net position). The County's net position increased by \$2,950,916 due to improved tax and fee collection as well as receipt of federal and state grant funds related to offsetting incurred COVID-19 expenses, improving and rehabbing county transportation infrastructure as well as expanding the feeding program to school children.
- At the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$31,190,617, an increase of \$3,819,209. This increase in fund balance was primarily due to an increase in the General fund of \$967 thousand, Special Revenue fund of \$970 thousand and Capital Projects Sales Tax Debt Service fund of \$1.34 million.
- Governmental funds reported a total combined revenues of \$57.14 million which represents growth of \$3.89 million and 7.3% from the prior year. The growth was driven by tax revenues which increased \$2.62 million and 8.6%, Intergovernmental revenues which increased \$687 thousand and 4.5% and Fees and Fines revenues which increased \$487 thousand and 7.4%.
- Governmental funds reported total combined expenditures of \$54.50 million, which is a decrease of (\$3.48 million) and (6.0%) from the prior year. This decrease in expenditures was primarily due to a drop in capital project expenditures which decreased (\$3.86 million) and (50%) from the prior year based on several projects completing in fiscal year 2020 and new and existing projects moving slower due to the County and other local governments taking time to evaluate the economic impact of the pandemic as various industry slowdowns related to the pandemic or supply chain issues.

Overview of the Financial Statements

This Management's Discussion and Analysis ("MD&A") is intended to serve as an introduction to the County's basic financial statements, which are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements

Government-wide Financial Statements - Government-wide financial statements are designed to provide readers with a broad overview of the financial position of the County and are like financial statements issued in the private sector. They include a statement of net position and a statement of activities. These statements appear on pages 19 and 20 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Component Units, which are other governmental units over which the County can exercise influence and/or may be obligated to provide financial subsidy, are presented as a separate column in the government-wide statements and as combining statements of activities in the fund financial statements. The focus of the statements is clearly on the primary government and the presentation allows the reader to address the relative relationship with the component units to the primary government. The nonmajor component units to the primary government are the Colleton County Memorial Library, the Colleton County Fire and Rescue Commission, and the Alcohol and Drug Commission.

The statement of net position shows the County's assets less its liabilities on June 30, 2021. The difference between these assets and liabilities is reported as net position. Changes in net position over time may be helpful in indicating an improving or deteriorating financial position.

The statement of activities follows the statement of net position and presents information showing how the net position changed during the fiscal year. The statement presents all underlying events, which give rise to the change, regardless of the timing of related cash flows. Some included items, such as accounts payable or earned but unused vacation leave, will produce changes in cash in a future fiscal period. This report includes all major and nonmajor funds of the County.

Both statements attempt to distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The County has no business-type activities. Governmental activities reported in the statements include general government, judicial, public safety, roads and bridges, solid waste, recreation and culture, health and human services, economic development and intergovernmental.

Fund Financial Statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Like other state and local governments, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the County can be divided into two categories: governmental and fiduciary.

Governmental Funds – Governmental funds, presented on pages 21 through 26, essentially account for the same functions as those reported under the government-wide statement of net position and statement of activities. However, this set of financial statements focuses on events that produce near-term inflows and outflows of available resources as well as on the balance available at the end of the fiscal year and is a narrower focus than the government-wide financial statements. Such information may be useful in evaluating the County's near-term financing requirements and available resources.

By comparing functions between the two sets of statements for governmental funds and governmental activities, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental funds individually presented in the County's statements include five major funds, the General Fund, the Special Revenue Fund, the Coronavirus Local Fiscal Recovery Fund, the Capital Projects Fund, and the Capital Sales Tax Debt Service Fund. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements elsewhere in this report.

Custodial Funds – Custodial funds are used to account for resources held for the benefit of parties outside the government. Custodial funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The single aggregated presentation of custodial fund financial statements can be found on pages 27 and 28 of this report. Individual fund data for each of these nonmajor funds is provided in the form of combining statements elsewhere in this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in both the government-wide and fund financial statements. Notes to the financial statements are presented on pages 29 to 79 of this report.

Other Information – In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information concerning the County's budgets on pages 80 and 81. Also included is the schedule of proportionate share of the net pension liability on pages 82 through 84 and the schedule of contributions for the retirement system on pages 85 through 88 presented for the County and its component units. The OPEB retirement plan required supplementary information for the County and its component units is presented on pages 89 through 91.

The combining statements referred to earlier in connection with nonmajor governmental and custodial funds are presented immediately following the required supplementary information and other budgetary schedules. Combining and individual fund statements and schedules for nonmajor governmental funds can be found on pages 92 through 108 of this report and combining fund statements for custodial funds can be found on pages 109 through 112.

Component unit financial statements are presented for the Memorial Library and the Fire and Rescue Commission on pages 113 through 122 of this report.

Government-wide Financial Analysis

As noted earlier, over time net position may serve as a useful indicator of a government's financial position. The government-wide statements encompass all the funds of the County, not just the general operational fund. The County's total assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$36,068,412 on June 30, 2021, as compared to restated net total position of \$33,117,496 on June 30, 2020.

MANAGEMENT'S DISCUSSION AND ANALYSIS

| COLLETON COUNTY, SOUTH CAROLINA NET POSITION | | |
|---|--------------------------------|---------------|
| | Governmental Activities | |
| | 2021 | 2020 |
| Assets | | |
| Current and other assets | \$ 41,214,246 | \$ 33,231,021 |
| Capital assets | 57,568,095 | 60,182,494 |
| Total assets | 98,782,341 | 93,413,515 |
| Deferred Outflows of Resources | 7,783,917 | 5,340,164 |
| Liabilities | | |
| Long-term liabilities | 61,060,259 | 60,159,543 |
| Other liabilities | 8,627,050 | 4,161,493 |
| Total liabilities | 69,687,309 | 64,321,036 |
| Deferred Inflows of Resources | 810,537 | 1,295,400 |
| Net Position | | |
| Net investment in capital assets | 43,815,008 | 42,289,669 |
| Fund balance | | |
| Restricted | 10,571,627 | 8,295,818 |
| Unrestricted | (18,318,223) | (17,448,244) |
| Change in Accounting Principle | - | (19,747) |
| Total net position, as restated | \$ 36,068,412 | \$ 33,117,496 |

Total assets did increase by \$5,368,826 with most of this change coming from the increase in cash and cash equivalents of \$7,599,860 that was offset by a decrease in capital assets of \$2,614,399. The increase in cash was due primarily to receipt of U.S. Treasury Local Fiscal Recovery funds of \$3.66 million. In addition, due to effects of COVID-19 on the supply chain, construction projects and purchase of heavy equipment are proceeding at a slower pace and requiring a slower usage of cash. This slower pace was also the cause for decrease in net capital assets, as only \$1.4 million of capital was added compared to annual depreciation expense of \$3.9 million. Deferred outflows of resources did increase by \$2.4 million as both deferred outflows for pension and OPEB did increase from the prior year. The increase in pension was due to the passage of time as well as the decline that has occurred in the municipal bond yields while the increase in OPEB was due to increases in the expected service cost of the plan.

Total liabilities did increase by \$5,366,273 with most of the change due to the increase in other liabilities of \$4,465,557. The increase in other liabilities was due to unearned revenues increasing by \$4,558,791 due to the receipt of \$3.66 million of U.S. Treasury Local Fiscal Recovery funds that have not yet been spent and were fully recorded as unearned. Deferred inflows of resources did decrease by \$485 thousand, primarily due to a reduction in deferred inflow from pension, which decreased by \$424 thousand. This decrease was due to differences in actual and expected experience and differences between employer contributions and proportionate share of contributions.

MANAGEMENT'S DISCUSSION AND ANALYSIS

By far the largest portion of the County net position in the amount of \$43,815,008 (121.5%) represents its investment in capital assets (e.g., land, buildings, machinery, and equipment) for governmental activities, less any related debt used to acquire those assets that is still outstanding on June 30, 2021, as compared to \$42,289,669 (128%) on June 30, 2020. The increase of \$1,525,339 was the result of slower capital project spending due to COVID-19 supply chain issues which led to a reduction in net capital assets and a usage of only 8% of remaining bond proceeds. The debt service on the long-term obligations associated with these bonds were paid as scheduled in the amount of \$4.7 million which was larger than the decrease in net capital assets and remaining bond proceeds resulting in the increase in investment in capital assets. Although the County's investment in capital assets is reported net of related debt, it should be noted the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate those liabilities. On June 30, 2021, the County had a net position restricted for debt service in the amount of \$7,639,063 (21.2%), which was an increase of \$1,579,540 from June 30, 2020. This increase was due to collection of both capital project sales tax and property taxes. Capital project sales taxes collections increased due to increased consumer spending based on the various federal stimulus payments provided. Property tax collections did increase based on higher growth in assessed values that were the result of low mortgage rates that drove an increase in home purchases as well as home mortgage refinancing.

The restricted portion of net position of \$10,571,627 (29.3%) represents the balances of net position that have restricted resources and are not available to fund other commitments. The restricted net position relates to solid waste landfill post-closure, debt service, economic development, emergency and law enforcement services, and other revenue sources that are earmarked for specific County functions. The increase of \$2,275,809 from June 30, 2020, was a result of the increase of \$1,579,540 discussed above related to excess debt service collections and an increase of \$1,010,263 in restricted for other purposes. The other purposes include matching funds of \$500 thousand on Highway 64 Pedestrian Improvements project, matching funds of \$146 thousand on the replacement of the Cheraw Pier and \$88 thousand in matching funds on three ongoing CDBG projects.

The remaining net position represents a deficit balance of (\$18,318,223) (-50.8%) in unrestricted net position which is a decrease of (\$869,979) from June 30, 2020. Overall net position did increase by \$2,950,916 though our net investment in capital assets and restricted net position did increase by a combined \$3.8 million and resulted in our unrestricted net position to decrease for the fiscal year ended 2021. Though we did see significant growth in our total assets of over \$5.3 million of which \$7.6 million was in cash and cash equivalents, a sizable portion of this growth is restricted as reflected in the increase of unearned revenues of \$4.6 million.

Governmental Activities

The County's total net position increased \$2,950,916 in 2021 compared to a decrease of (\$1,473,575) in 2020. Please note that beginning net position for fiscal year 2021 was restated by (\$19,747) related to the adoption of GASB 84. Key elements of this change in net position are as shown in the following table.

MANAGEMENT'S DISCUSSION AND ANALYSIS

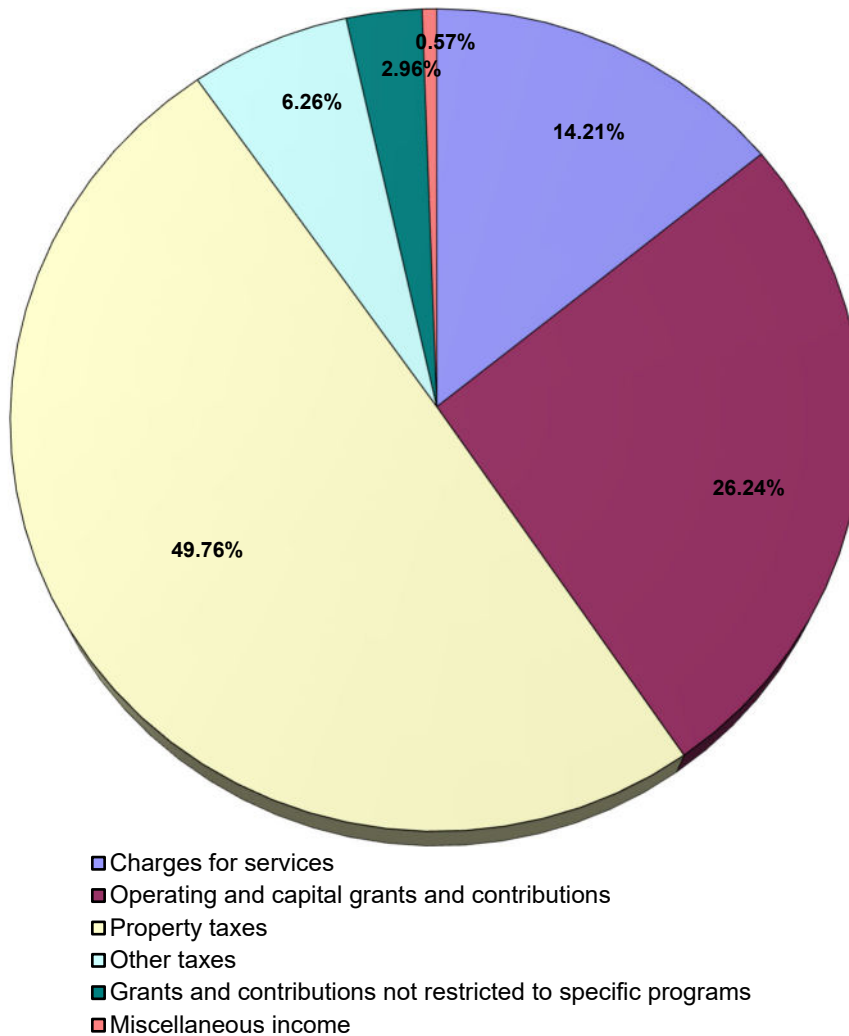
COLLETON COUNTY, SOUTH CAROLINA CHANGES IN NET POSITION

| | 2021 | 2020 |
|---|----------------------|----------------------|
| Revenues | | |
| Program Revenues | | |
| Charges for services | \$ 8,155,558 | \$ 8,094,821 |
| Operating and capital grants and contributions | 15,058,424 | 12,019,330 |
| General Revenues | | |
| Property taxes | 28,560,290 | 26,872,059 |
| Other taxes | 3,592,375 | 3,414,583 |
| Grants and contributions not restricted to specific programs | 1,701,639 | 2,024,709 |
| Miscellaneous income | 327,711 | 775,275 |
| Total Revenues | <u>57,395,997</u> | <u>53,200,777</u> |
| Expenses | | |
| Governmental Activities | | |
| General government | 10,882,562 | 10,607,610 |
| Judicial | 7,005,856 | 6,856,354 |
| Public safety | 15,683,920 | 15,820,923 |
| Roads and bridges | 6,192,937 | 7,154,129 |
| Solid waste | 4,403,242 | 4,104,787 |
| Recreation and culture | 4,684,331 | 4,691,384 |
| Health and human services | 3,738,071 | 2,734,348 |
| Economic development | 1,194,174 | 1,943,153 |
| Interest and fiscal charges | 659,988 | 761,664 |
| Total Expenses | <u>54,445,081</u> | <u>54,674,352</u> |
| Change in Net Position | 2,950,916 | (1,473,575) |
| Net Position, beginning of year, as restated | 33,117,496 | 34,610,818 |
| Net Position, end of year | <u>\$ 36,068,412</u> | <u>\$ 33,137,243</u> |

During the current fiscal year, net position increased \$2,950,616 from the prior fiscal year for an ending balance of \$36,068,412. Overall revenues did increase by \$4,195,220, or 7.9%, from fiscal year 2020. The increase in total revenues was the result of a \$3,039,094 increase in operating and capital grants and contributions, and a \$1,688,231 increase in property taxes. These increases were offset by small decreases of (\$323,070) in grants and contributions not restricted to specific purpose and (\$447,564) in miscellaneous. Additional detail as to the changes in revenues can be found under the Revenue by Source – Governmental Activities pie chart on the following page. Total expenses did decrease by (\$229,271) and (0.4%) from fiscal year 2020 and was due to the decreases in Roads and Bridges and Economic Development offset by the increase in Health and Human Services. The changes in expenses are discussed in detail below under Expense – Governmental Activities bar chart.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Revenue by Source-Governmental Activities

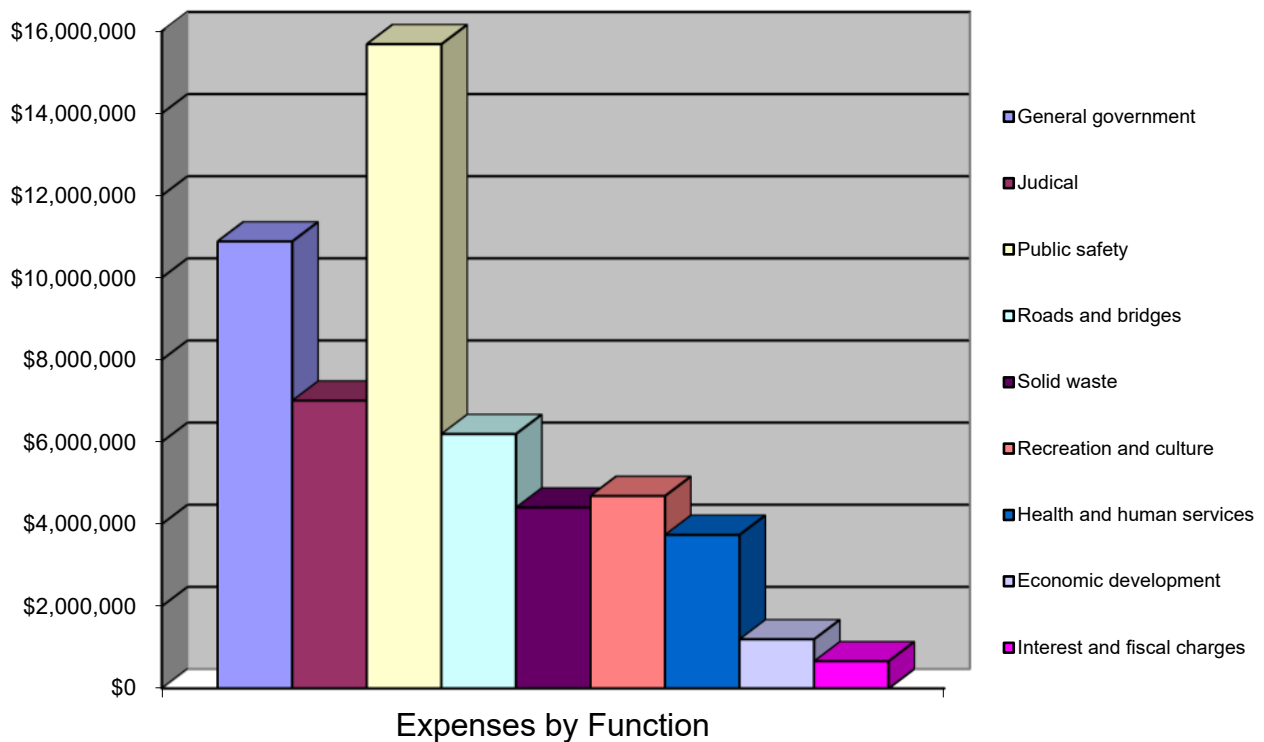


- Property Taxes continue to be the largest source of revenue for the County at 49.76% though this is down from the previous two years of 50.50% and 50.97%. Property taxes did increase by \$1.69 million and 6.28% due to significant growth (as compared to prior years) of 6.8% in assessed values based on low mortgage rates driving home sales (increasing prices) as well as existing home refinancing driving home improvements. Current year collections remained stable at roughly 97%.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Operating and Capital Grants and Contributions did increase to 26.24% from roughly 22% in the prior two fiscal years. The primary drivers for this increase were increased funding of \$777 thousand in additional USDA revenues (pass through) related to the expansion of the school feeding program (health and human service function), \$254 thousand in COVID-19 recovery funds from the U.S. Department of Treasury (pass through) related to reimbursement of costs incurred and \$600 thousand in CDBG revenues (pass through) related various community infrastructure improvements.
- Both Grants and Contributions not restricted to specific programs and Miscellaneous Income did decrease to 14.21% and 0.57%, respectively. The decrease in the Grants and Contributions not restricted to specific programs of \$323 thousand was due to receipt and use of one-time funds during fiscal year 2020 and the decrease in miscellaneous income was due to a significant drop in investment earnings based on an overall drop in the economic markets.

Expenses-Governmental Activities



MANAGEMENT'S DISCUSSION AND ANALYSIS

- Expenses for Public Safety did slightly decrease from the previous years by (0.87%) as compared to growth of 12% in the prior year and now account for 28.8% of total expenses. These expenses provide funding to both County law enforcement (Sheriff/Detention/Emergency Dispatch) and the annual County appropriation to the Fire and Rescue Commission (County-wide emergency services and unincorporated fire services). The small decrease in public safety expenses was due to a small decrease in use of overtime hours based on the County avoiding a declared disaster (outside of COVID-19) during the fiscal year.
- Significant growth of over \$1 million and 36.74% was seen in Health and Human Services and accounted for 6.8% of total expenses. This increase in expense was due to the expansion of the USDA summer feeding program that ran all twelve months of the fiscal year instead of the summer months of June, July, and August. The expansion was due to the County school district continuing to provide a full year virtual school option to all students.
- Expenses for Roads and Bridges did decrease by (\$961) thousand and (13%) as compared to the prior year. This decrease was the result of some one-time expenses in the prior year related to the City of Waltherboro I-95 Business Loop Road Improvement project phase 2 that was funded through Capital Project Sales Tax and the Waltherboro Colleton County Airport runway drainage improvement project that was a pass through of funds from an FAA grant award.
- Economic Development expenses did record a decrease of 39% and accounts for 2.2% of total expenses. This decrease was due to slower economic activity during the fiscal year as a number of prospective projects were temporarily halted as possible impacts from the pandemic were determined (additional information can be found in the Transmittal Letter Economic Development Goals and Strategies).

Financial Analysis of the Government's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. Unassigned fund balance may serve as a useful measure of the County's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for use for purposes by the County Council.

On June 30, 2021, the County's governmental funds reported combined fund balances of \$31,910,617, an increase of \$3,819,209 in comparison with the prior year. Approximately 29.3% of this amount, or \$9,131,378, constitutes *unassigned fund balance*, with is available for spending at the County's discretion. The remainder of the fund balance is either *non-spendable*, *restricted*, *assigned*, or *committed*, to indicate that it is: 1) not in spendable form (\$422,966), 2) restricted for purposes (\$10,511,391), 3) assigned for purposes (\$1,185,292), or 4) assigned for purposes (\$9,939,590).

MANAGEMENT'S DISCUSSION AND ANALYSIS

The general fund is the chief operating fund of the County. On June 30, 2021, unassigned fund balance of the general fund was \$9,131,378. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 29% of total general expenditures, while total fund balance represents approximately 31%. County ordinance requires that total fund balance be maintained at 20% of total general fund expenditures. During the current fiscal year, the fund balance of the County's general fund increased by \$967,410. This represents an increase of 10.8% in fund balance that was based on revenues increasing by 5% while operating expenses slightly decreased by (0.5%). This growth in revenues was offset by a change in net other financing uses that increased by 107% to (\$482,652).

- Tax revenues did increase by 6.4% that was due to growth in assessed values of 6.3% based on low mortgage rates driving increased home sales as well as home improvements. Based on the ongoing pandemic, County Council did not approve any operating millage increase for fiscal year 2021.
- With the State of South Carolina operating under a continuing budget resolution, intergovernmental revenue did dip slightly by 5% from the prior year.
- Fines and fees did increase by 8.2% from the prior year based on increase in building permits (new home construction and home improvements) as well as an increase in recording document stamps based on home sales and refinancing activity driven by the low mortgage rates.

Total expenditures were unchanged from the prior year, though general government did decrease by (\$406) thousand and (4.1%) which was offset by increases in Public Safety of \$115 thousand and 1.4%, in Recreation and Culture of \$168 thousand and 10.9% and Intergovernmental of \$230 thousand and 4.6%.

- The decrease in general government was due to tornado (April 2020) recovery expenses of \$440 thousand that were incurred through the end of fiscal year 2020.
- The slight increase in Public Safety was primarily in personnel expenses associated with additional compensation to retain essential staff.
- As COVID-19 restrictions lifted, County recreation facilities resumed more normal operations, including reopening of the fitness center, providing youth sports leagues and hosting of youth sport tournaments which led to an increase in operating costs.
- The increase in intergovernmental was due to providing additional support to the Colleton County Fire and Rescue Commission to cover higher personnel expenses based on call volumes.

The fund balance of the County's special revenue fund did increase by \$970 thousand and 378% from the prior year. This increase was due to advanced grant funds and required match amounts for road improvements (sidewalks), and CDBG projects (County building demolition and old football stadium demolition) and are reflected in the increase of \$549 thousand in roads and bridges expenditures. These matches are planned on being expended during fiscal year 2022 as the projects are completed. The increase in health and human services expenses of \$854 thousand is based on the previously noted expansion in the feeding program to County school district students that were attending school virtually.

MANAGEMENT'S DISCUSSION AND ANALYSIS

During the current fiscal year, the fund balance of the County's capital projects fund increased by \$109 thousand and 1.1%. This increase was due to a reduction in expenditures of (\$3.86) million from the prior year. Intergovernmental decreased by (\$3) million and was due to phase 2 of the CPST funded Walterboro I-95 business loop being completed during the prior fiscal year and the final phase 3 being delayed until fiscal year 2022. Overall capital purchases of the County did decrease (\$1.45) million from the prior year. This was due in part to a delay in starting projects as pandemic economic impacts were being determined as well as supply chain issues causing projects to slow down as materials had delayed deliveries.

Capital Projects Sales Tax Debt Service did report an increase of \$1.337 million in fund balance for the fiscal year. This increase was due to 18% increase in capital projects sales tax collections from the prior year based on an increase in retail sales driven by the federal stimulus payments made to individuals. Scheduled debt service of \$4.087 million was paid as scheduled and the excess collections will be used to cover the debt service due July 1, 2023, which is after the expiration of the tax.

Budgetary Highlights

The County's general fund actual amounts reported for revenues of \$33,502,168 were \$737,055 and 2.25% higher than the final budgeted amount of \$32,765,113.

- Taxes were over final budget by \$814,095 and 3.46% due to rapid growth of 6.8% in assessed values that were positively impacted by low mortgage rates that have led to increased home sales and prices as well as home improvements that are funded by refinancing activity. In addition to property taxes, local option sales tax collection was 14% over final budget amounts and were buoyed by the various federal stimulus payments to individuals.
- Intergovernmental revenues were over final budget of \$392,281 and 20.35% due to additional funding in motor carrier fees and SROs. In fiscal year 2020, motor carrier fees moved from SCDOR to SCDMW which resulted in a significant reduction in funding. The budget for fiscal year 2021 was adjusted to reflect the prior year funding though actual funding did exceed budget by \$214 thousand and 167%. SRO funding from SCDE was budgeted equal to the prior though funding did increase based on no school closing in fiscal year 2021 as compared to fiscal year 2020.
- Fines and fees were \$250,216 and 3.98% over budget. As noted in taxes (above), significant increases were seen in home sales and refinances which led to recording document fees to be 47.7% over final budget. In addition, many of the home refinances were used to make improvements (for example – adding inground pool) which led to building permits to be 5.6% over final budget.
- Other income was under budget by (\$719,537) and (69.68%) based on budgeted reimbursements of pandemic costs that were not needed based on lower expenditures (please see corresponding decrease in general government expenditures). In addition, investment earnings came in at 56% lower than the final budget which had been set at 85% of the prior year actual earnings.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Total actual expenditures of \$32,052,106 were under the final budgeted amount of \$34,131,326 by \$2,079,220 and 6.09%. Expenditure savings was primarily based on a combined savings of \$1,827,882 in general government, in judicial, in public safety and roads and bridges.

- General government savings of \$967,820 and 9.31% were due to the County not having a declared natural disaster event with the budget reflective of this possibility given the previous four years. In addition, costs associated with responding to the pandemic were lower than budgeted which had been based on prior year expenses.
- Judicial savings were due to a reduction in court operating expenses that was based on courts being required to close for part of the fiscal year.
- Public safety expenditures were less than final budget based on a higher usage of overtime hours budgeted for coverage when staff is forced to quarantine based on either a COVID-19 possible exposure or positive test.
- Roads and bridges savings were due to unfilled budgeted positions (salaries and associated benefits) and fuel expense based on the cost of fuel.
- Transfers in were less than budget by (\$615,760) due to total expenditures that were (\$2.08) million lower than final budget. This savings in expenditures reduced the need of additional fundings to cover the cost of operations.
- Transfers out were less than budget by \$389,401 due to the delay discussed previously in capital projects that were slowed as economic impacts of the pandemic were determined as well as delay in receiving materials and other capital equipment and vehicles.

Capital Assets

The County's investment in capital assets for its governmental activities as of June 30, 2021, amounts to \$57,568,095 (net of accumulated depreciation) as compared to \$60,182,494 on June 30, 2020. Capital additions, including construction in progress totaled \$1.43 million which were offset by disposals in the amount of \$2.96 million.

Major capital asset additions during the fiscal year 2021 include the following:

- Taxpayer Service Center construction (CPST funded) - \$313 thousand
- Generator and transfer switch at the Recreation Center - \$321 thousand
- Technology improvements (servers/storage) - \$22 thousand
- Building improvements (HVAC efficiency upgrades) - \$85 thousand
- Demolition of County office building and old high school football stadium - \$414 thousand

Construction in Progress completed and placed in service during fiscal year 2021 include the following:

- Sewer improvements at Colleton Career Center - \$87 thousand
- Fire Rescue Ambulance (2) - \$559 thousand
- Offsite backup system 911 Dispatch - \$78 thousand

MANAGEMENT'S DISCUSSION AND ANALYSIS

Disposals of assets acquired in prior years include the following:

- \$545 thousand in heavy vehicles and equipment
- \$301 thousand in buildings and improvements
- \$2.1 million in County fleet vehicles (moving to vehicle lease program)

Additional information on the County's capital assets can be found in note 5 on page 42 in the notes to the financial statements.

| COLLETON COUNTY, SOUTH CAROLINA CAPITAL ASSETS, NET OF DEPRECIATION | | |
|--|--------------------------------|----------------------|
| | Governmental Activities | |
| | 2021 | 2020 |
| Land and land infrastructure | \$ 8,073,207 | \$ 7,865,880 |
| Construction in progress | 1,446,850 | 1,381,977 |
| Buildings and improvements | 29,753,153 | 30,878,557 |
| Improvements other than buildings | 5,074,071 | 5,656,254 |
| Equipment and vehicles | 7,342,227 | 8,054,481 |
| Infrastructure | 5,878,587 | 6,345,345 |
| Total | <u>\$ 57,568,095</u> | <u>\$ 60,182,494</u> |

Debt Administration

On June 30, 2021, the County had long-term obligations of \$61,060,259 compared to outstanding debt on June 30, 2020, totaling \$60,159,543. In October 2020, the County did issue one new short-term debt financing in the amount of \$581 thousand with a maturity date of August 2021. All scheduled debt service payments for fiscal year 2021 were made when due. After the close of the fiscal year, the County did close on short-term bond on October 27, 2021, in the amount of \$578 thousand and on a five-year \$5.5 million lease financing on November 19, 2021. More information on these two financings can be found in note 10 on page 76 in the notes to the financial statements.

| | Governmental Activities | |
|--|--------------------------------|----------------------|
| | 2021 | 2020 |
| General Obligation Bonds | \$ 19,111,299 | \$ 22,879,822 |
| Special Revenue Bonds | - | - |
| Capital Leases | 833,292 | 1,756,625 |
| Net OPEB Obligation | 4,360,196 | 3,553,380 |
| Note Payable | - | - |
| Landfill Closure and Post Closure Cost | 583,878 | 563,572 |
| Compensated Absences | 852,547 | 781,862 |
| Net Pension Liability | 35,319,047 | 30,624,282 |
| Total | <u>\$ 61,060,259</u> | <u>\$ 60,159,543</u> |

Additional information on the County's long-term obligations can be found in note 6 on page 45 in the notes to the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

In accordance with State Law, the amount of General Obligation Bonds ("GOB") a government entity may issue (without referendum) is equal to 8% of its total assessed value. The current General Obligation Bond debt limitation for Colleton County based on information received from the County Auditor related to the 2021 tax assessment value of \$193,167,536 is \$15,453,403 for fiscal year ended June 30, 2021. As of June 30, 2021, the County has net debt applicable to the limit of \$6,991,353 which equals a 45.24% total net debt applicable to the limit percentage.

Debt Rating – In June 2021, Moody's Investor Services reaffirmed their ratings previously issued in April 2020. The County continued to receive a rating of Aa3 from Moody's. In their analysis, the following positive attributes of the County and its management were noted:

- Financial position is healthy with a strong cash balance as a percent of operating revenues.
- Overall light debt burden though economy and tax base continue to lag, with median family income at 56.8% of U.S. level.

Economic Factors and Next Year's Budget

The County passed budget ordinance No. 21-O-05 to provide for the levy of taxes in Colleton County, South Carolina with the third and final reading on June 1, 2021, to be effective July 1, 2021, through June 30, 2022. The highlights of the budget are provided below:

- Operating millage at 116.31 mills and debt service millage at 10.24 mills – unchanged from fiscal year 2021.
- Property tax revenues were budgeted at a growth rate of 2% based on a corresponding growth in assessed values and tax collections remaining at historical average.
- Fees and fines revenue collections increasing by 1.5% based on a continuing return of pre-COVID-19 activities. Primary driver of this increase is the court system resuming regular operations and an update to the Planning and Development fee structure.
- Overall intergovernmental state revenues were not budgeted to increase. State of South Carolina budget did provide full year and prior year funding increase in Local Government Fund though funding formula is population driven and the County population is not forecasted to change significantly as compared to other counties in South Carolina. State of South Carolina budget did provide rural stabilization fund to help fund any funding reductions.
- Continued growth of 2-3% in Local Option and Capital Projects Sales Tax collections. Growth rate has been averaging 2-6% per year over the previous five years.
- Local Accommodations and Hospitality taxes are projected to return to pre-COVID 19 collection amounts as people continue to resume vacationing and other leisure activities.
- Minimum of 5% cost of living salary adjustment was provided to all employees.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Mandated employer retirement contribution increase of 1% for all participating employees effective July 1, 2021.
- Mandated employer health insurance premiums increase effective January 1, 2022 (exact not known, factor of 4% was used).
- Continuation of funding 50% of the cost of individual health/dental insurance for eligible retirees.
- Continuation of direct assistance funding to twenty county agencies providing various essential services and programs for residents.

The following budgets and millage rates are currently in effect based on Budget Ordinance 21-O-05:

| COLLETON COUNTY, SOUTH CAROLINA 2021-2022 ORIGINAL FUND BUDGET | | |
|---|----------------------|----------------|
| | Amount | Millage |
| General Fund | \$ 29,087,067 | 116.31 |
| Debt Service Fund | 2,003,660 | 10.24 |
| Fire Rescue Commission | 10,974,750 | 33.56 |
| Fire Rescue Commission Debt Service | 2,459,518 | 22.66 |
| Capital Projects Sales Tax Debt Service | 6,171,610 | - |
| Capital Fund | 598,090 | - |
| Special Revenue Fund (various grants) | 1,104,220 | - |
| State Aid to Library | 100,000 | - |
| Memorial Library Fund | 712,660 | - |
| IV-D Sheriff Unit Costs | 6,438 | - |
| IV-D Clerk of Court Unit Costs | 193,260 | - |
| IV-D Clerk of Court Fund Incentives | 40,000 | - |
| Victim Witness Services | 101,119 | - |
| Animal Care and Control | 35,000 | - |
| Non-GOB Related Debt Service | 1,200,000 | - |
| Emergency Telephone Fund | 304,986 | - |
| Infrastructure/Industrial Development Fund | 784,265 | - |
| CC 2015 \$5.4M GOB Proceeds | 172,782 | - |
| Coronavirus Local Recovery Fund | 1,644,745 | - |
| County Hospitality Tax Fund | 551,200 | - |
| County Accomodations Tax Fund | 529,445 | - |
| Recreation Fund | 1,576,921 | - |
| Road and Bridges Fund | 2,164,147 | - |
| School District | - | 116.42 |
| Solid Waste Fund | 3,025,424 | - |
| Total | <u>\$ 65,541,307</u> | <u>299.19</u> |

Requests for Information

This financial report is designed to provide a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Any questions about this report or request for information may be addressed to Colleton County, Director of Finance, P.O. Box 157, Walterboro, South Carolina 29488.

COLLETON COUNTY, SOUTH CAROLINA

**STATEMENT OF NET POSITION
JUNE 30, 2021**

| | | | Component Units | |
|--|----------------------------|---------------------|-------------------------------|--------------------------------|
| | Governmental Activities | Memorial Library | Fire and Rescue Commission | Alcohol and Drug Commission |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 32,805,713 | \$ 203,066 | \$ 983,183 | \$ 464,411 |
| Investments | 2,177 | - | - | 105,108 |
| Receivables, net of allowances | 7,983,390 | - | 1,975,263 | 32,905 |
| Due from state agency | - | - | - | 121,022 |
| Prepays and deposits | 422,966 | 14,924 | 205,880 | - |
| Capital assets: | | | | |
| Nondepreciable | 9,520,057 | - | 1,477,838 | - |
| Depreciable, net | 48,048,038 | 308,776 | 10,238,662 | 4,798 |
| Total assets | 98,782,341 | 526,766 | 14,880,826 | 728,244 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred outflows for pension | 7,163,543 | 170,457 | 3,368,930 | - |
| Deferred outflows for other post-employment benefits | 620,374 | 75,245 | 113,237 | - |
| Total deferred outflows of resources | 7,783,917 | 245,702 | 3,482,167 | - |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | 2,363,876 | 12,694 | 302,945 | 92,771 |
| Payroll liabilities | 669,969 | 15,243 | 263,297 | 19,857 |
| Accrued liabilities | 202,186 | - | 87,789 | - |
| Unearned revenues | 5,391,019 | 3,009 | - | - |
| Non-current liabilities: | | | | |
| Due within one year | 5,912,267 | 2,765 | 1,402,881 | 14,115 |
| Due in more than one year | 55,147,992 | 1,460,135 | 22,186,517 | 254,500 |
| Total liabilities | 69,687,309 | 1,493,846 | 24,243,429 | 381,243 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred inflows for pension | 444,629 | 14,580 | 69,393 | - |
| Deferred inflows for other post-employment benefits | 365,908 | 44,381 | 66,789 | - |
| Total deferred inflows of resources | 810,537 | 58,961 | 136,182 | - |
| NET POSITION | | | | |
| Net investment in capital assets | 43,815,008 | 308,776 | 3,859,520 | 4,798 |
| Restricted: | | | | |
| Emergency services | 453,558 | - | - | - |
| Court administration | 107,246 | - | - | - |
| Law enforcement | 265,032 | - | - | - |
| Solid waste | 395,850 | - | - | - |
| Non-expendable | 422,966 | - | - | - |
| Debt service | 7,639,063 | - | 686,881 | - |
| Other purposes | 1,287,912 | - | - | - |
| Unrestricted (deficit) | (18,318,223) | (1,089,115) | (10,563,019) | 342,203 |
| Total net position | \$ 36,068,412 | \$ (780,339) | \$ (6,016,618) | \$ 347,001 |

The accompanying notes are an integral part of these financial statements.

COLLETON COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| Functions/Programs | Changes in Net Position | | | | | | | |
|--|-------------------------|----------------------|------------------------------------|----------------------------------|-------------------------|---------------------|----------------------------|-----------------------------|
| | Program Revenues | | | | Primary Government | Component Units | | |
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Memorial Library | Fire and Rescue Commission | Alcohol and Drug Commission |
| Primary government | | | | | | | | |
| Governmental activities: | | | | | | | | |
| General government | \$ 10,882,564 | \$ 1,450,666 | \$ 449,703 | \$ - | \$ (8,982,195) | \$ - | \$ - | \$ - |
| Judicial | 7,005,856 | 724,092 | 5,140,058 | - | (1,141,706) | - | - | - |
| Public safety | 15,683,920 | 1,544,459 | 2,957,557 | 117,500 | (11,064,404) | - | - | - |
| Roads and bridges | 6,192,936 | 1,113,770 | 3,282,989 | 790,188 | (1,005,989) | - | - | - |
| Solid waste | 4,403,242 | 2,494,106 | 71,005 | - | (1,838,131) | - | - | - |
| Recreation and culture | 4,684,331 | 828,465 | 21,839 | 32,862 | (3,801,165) | - | - | - |
| Health and human services | 3,738,071 | - | 2,135,123 | - | (1,602,948) | - | - | - |
| Economic development | 1,194,174 | - | 59,600 | - | (1,134,574) | - | - | - |
| Interest and fiscal charges | 659,989 | - | - | - | (659,989) | - | - | - |
| Total governmental activities | <u>\$ 54,445,083</u> | <u>\$ 8,155,558</u> | <u>\$ 14,117,874</u> | <u>\$ 940,550</u> | <u>(31,231,101)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Component Units | | | | | | | | |
| Memorial Library | \$ 887,974 | \$ 20,517 | \$ 780,315 | \$ - | | (87,142) | - | - |
| Fire and Rescue Commission | 13,059,282 | 2,059,042 | 4,379,006 | - | | - | (6,621,234) | - |
| Alcohol and Drug Commission | 1,052,510 | 132,789 | 859,067 | 1,797 | | - | - | (58,857) |
| Total component units | <u>\$ 14,999,766</u> | <u>\$ 2,212,348</u> | <u>\$ 6,018,388</u> | <u>\$ 1,797</u> | | <u>(87,142)</u> | <u>(6,621,234)</u> | <u>(58,857)</u> |
| General revenues: | | | | | | | | |
| Property taxes | | | | | 28,560,290 | - | 6,198,135 | - |
| Alcohol excise tax | | | | | - | - | - | 95,830 |
| Local options sales tax | | | | | 2,312,159 | - | - | - |
| Local accommodations tax | | | | | 607,041 | - | - | - |
| Hospitality tax | | | | | 624,658 | - | - | - |
| Franchise fees | | | | | 48,517 | - | - | - |
| Grants and contributions not restricted to specific programs | | | | | 1,701,639 | - | - | - |
| Miscellaneous | | | | | 327,713 | 35,717 | 25,358 | - |
| Total general revenues | | | | | <u>34,182,017</u> | <u>35,717</u> | <u>6,223,493</u> | <u>95,830</u> |
| Change in net position | | | | | 2,950,916 | (51,425) | (397,741) | 36,973 |
| Net position, beginning of year, | | | | | | | | |
| as restated | | | | | 33,117,496 | (728,914) | (5,618,877) | 310,028 |
| Net position, end of year | | | | | <u>\$ 36,068,412</u> | <u>\$ (780,339)</u> | <u>\$ (6,016,618)</u> | <u>\$ 347,001</u> |

The accompanying notes are an integral part of these financial statements.

COLLETON COUNTY, SOUTH CAROLINA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2021

| | General | Special Revenue | Coronavirus Local Fiscal Recovery |
|--|----------------------|---------------------|---|
| ASSETS | | | |
| Cash and cash equivalents | \$ 9,138,585 | \$ 1,139,701 | \$ 3,660,075 |
| Investments | 2,177 | - | - |
| Receivables, net | 4,121,341 | 1,476,285 | - |
| Prepaid expenditures | 400,434 | - | - |
| Total assets | <u>\$ 13,662,537</u> | <u>\$ 2,615,986</u> | <u>\$ 3,660,075</u> |
| LIABILITIES | | | |
| Accounts payable | \$ 1,066,279 | \$ 875,342 | \$ - |
| Accrued payroll and benefits | 507,720 | 26,924 | - |
| Accrued liabilities | 5,217 | - | - |
| Unearned revenue | 645,392 | 486,952 | 3,659,158 |
| Total liabilities | <u>2,224,608</u> | <u>1,389,218</u> | <u>3,659,158</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable revenue - fees | 13,559 | - | - |
| Unavailable revenue - property taxes | 1,251,041 | - | - |
| Unavailable revenue - spec assessments | 245,667 | - | - |
| Total deferred inflows of resources | <u>1,510,267</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | |
| Non-spendable: | | | |
| Prepaid expenditures | 400,434 | - | - |
| Restricted for: | | | |
| Public safety | - | - | - |
| Recreation and culture | - | - | - |
| Judicial services | - | - | - |
| Solid waste reserve | 395,850 | - | - |
| Economic development | - | - | - |
| Debt service | - | - | - |
| Other purposes | - | 1,226,768 | - |
| Assigned: | | | |
| Judicial services | - | - | - |
| Public safety | - | - | - |
| Committed: | | | |
| Recreation and culture | - | - | - |
| Capital projects | - | - | 917 |
| Unassigned | 9,131,378 | - | - |
| Total fund balances | <u>9,927,662</u> | <u>1,226,768</u> | <u>917</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 13,662,537</u> | <u>\$ 2,615,986</u> | <u>\$ 3,660,075</u> |

The accompanying notes are an integral part of these financial statements.

| Capital Projects | Capital Sales Tax Debt Service | Nonmajor Governmental Funds | Total Governmental Funds |
|-----------------------------|---|--|---|
| \$ 10,452,624 | \$ 5,478,837 | \$ 2,935,891 | \$ 32,805,713 |
| - | - | - | 2,177 |
| 642,359 | 1,390,496 | 352,909 | 7,983,390 |
| - | - | 22,532 | 422,966 |
| <u>\$ 11,094,983</u> | <u>\$ 6,869,333</u> | <u>\$ 3,311,332</u> | <u>\$ 41,214,246</u> |
| \$ 367,556 | \$ - | \$ 54,699 | \$ 2,363,876 |
| - | - | 135,325 | 669,969 |
| - | - | - | 5,217 |
| 599,517 | - | - | 5,391,019 |
| <u>967,073</u> | <u>-</u> | <u>190,024</u> | <u>8,430,081</u> |
| - | - | - | 13,559 |
| - | - | 83,281 | 1,334,322 |
| - | - | - | 245,667 |
| <u>-</u> | <u>-</u> | <u>83,281</u> | <u>1,593,548</u> |
| - | - | 22,532 | 422,966 |
| - | - | - | - |
| - | - | 718,590 | 718,590 |
| - | - | 61,144 | 61,144 |
| - | - | 107,246 | 107,246 |
| - | - | - | 395,850 |
| 362,730 | - | - | 362,730 |
| - | 6,869,333 | 769,730 | 7,639,063 |
| - | - | - | 1,226,768 |
| - | - | - | - |
| - | - | 1,171,621 | 1,171,621 |
| - | - | 13,671 | 13,671 |
| - | - | 173,493 | 173,493 |
| 9,765,180 | - | - | 9,766,097 |
| - | - | - | 9,131,378 |
| <u>10,127,910</u> | <u>6,869,333</u> | <u>3,038,027</u> | <u>31,190,617</u> |
| <u>\$ 11,094,983</u> | <u>\$ 6,869,333</u> | <u>\$ 3,311,332</u> | <u>\$ 41,214,246</u> |

COLLETON COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2021

| | | | |
|---|----|--------------|---------------|
| Total governmental fund balances: | | \$ | 31,190,617 |
| Amounts reported for governmental activities in the statement of net position are different because of the following: | | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the government funds. | | | |
| | | | 57,568,095 |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds: | | | |
| Property taxes and other special assessments | \$ | 1,579,989 | |
| Solid waste receivables | | 13,559 | 1,593,548 |
| Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds. These deferred outflows of resources consist of pension related experience differences, assumption changes and differences between projected and actual earnings on Plan investments: | | | |
| Deferred outflows related to pensions | \$ | 7,163,543 | |
| Deferred outflows related to other post-employment benefits | | 620,374 | 7,783,917 |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds: | | | |
| General obligation bonds | \$ | (18,891,093) | |
| Bond premiums | | (220,206) | |
| Capital leases | | (833,292) | |
| Compensated absences | | (852,547) | |
| Landfill closure and post-closure cost | | (583,878) | |
| Accrued interest | | (196,969) | |
| Net pension liability | | (35,319,047) | |
| Total other post-employment benefits liability | | (4,360,196) | (61,257,228) |
| Deferred inflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds. These deferred inflows of resources consist of pension related differences between projected and actual earnings on Plan investments. | | | |
| Deferred outflows related to pensions | \$ | (444,629) | |
| Deferred inflows related to other post-employment benefits | | (365,908) | (810,537) |
| Net position of governmental activities | | | \$ 36,068,412 |

The accompanying notes are an integral part of these financial statements.

COLLETON COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | General | Special Revenue | Coronavirus Local Fiscal Recovery |
|--|---------------------|---------------------|---|
| REVENUES | | | |
| Taxes | \$ 24,325,353 | \$ - | \$ - |
| Intergovernmental | 2,319,839 | 6,701,231 | - |
| Fines and fees | 6,543,841 | - | - |
| Other income | 313,137 | 61,528 | 917 |
| Total revenues | <u>33,502,170</u> | <u>6,762,759</u> | <u>917</u> |
| EXPENDITURES | | | |
| Current: | | | |
| General government | 9,429,858 | 326,032 | - |
| Judicial | 1,327,428 | 506,453 | - |
| Public safety | 8,411,186 | 566,294 | - |
| Roads and bridges | 1,883,599 | 595,551 | - |
| Solid waste | 2,907,097 | - | - |
| Recreation and culture | 1,701,882 | 178,427 | - |
| Health and human services | 869,653 | 2,627,860 | - |
| Economic development | 285,032 | 25,000 | - |
| Intergovernmental | 5,205,380 | 2,201,709 | - |
| Capital outlay: | | | |
| General government | 14,650 | - | - |
| Public safety | - | - | - |
| Roads and bridges | - | 14,311 | - |
| Solid waste | 16,343 | - | - |
| Recreation and culture | - | 28,525 | - |
| Debt service: | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Total expenditures | <u>32,052,108</u> | <u>7,070,162</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>1,450,062</u> | <u>(307,403)</u> | <u>917</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Sale of capital assets | 661 | - | - |
| Issuance of debt | - | - | - |
| Insurance recoveries | 77,162 | - | - |
| Transfers in | 1,952,728 | 1,277,531 | - |
| Transfers out | (2,513,203) | - | - |
| Total other financing sources (uses) | <u>(482,652)</u> | <u>1,277,531</u> | <u>-</u> |
| Net change in fund balances | 967,410 | 970,128 | 917 |
| Fund balances, beginning of year as restated | <u>8,960,252</u> | <u>256,640</u> | <u>-</u> |
| Fund balances, end of year | <u>\$ 9,927,662</u> | <u>\$ 1,226,768</u> | <u>\$ 917</u> |

The accompanying notes are an integral part of these financial statements.

| Capital Projects | Capital Sales Tax Debt Service | Nonmajor Governmental Funds | Total Governmental Funds |
|-----------------------------|---|--|---|
| \$ - | \$ 5,408,026 | \$ 3,307,828 | \$ 33,041,207 |
| 2,657,358 | - | 4,392,281 | 16,070,709 |
| - | - | 529,858 | 7,073,699 |
| 532,482 | 15,546 | 35,037 | 958,647 |
| <u>3,189,840</u> | <u>5,423,572</u> | <u>8,265,004</u> | <u>57,144,262</u> |
| 637,334 | - | 2,125 | 10,395,349 |
| - | - | 4,508,451 | 6,342,332 |
| 411,670 | - | 471,943 | 9,861,093 |
| - | - | 5,791 | 2,484,941 |
| 1,093,084 | - | - | 4,000,181 |
| 42,509 | - | 439,190 | 2,362,008 |
| 7,931 | - | - | 3,505,444 |
| 677,808 | - | 124,152 | 1,111,992 |
| 636,467 | - | 31,702 | 8,075,258 |
| - | - | - | - |
| 312,118 | - | - | 326,768 |
| 526 | - | - | 526 |
| - | - | - | 14,311 |
| - | - | - | 16,343 |
| - | - | - | 28,525 |
| - | 3,790,000 | 1,408,333 | 5,198,333 |
| - | 297,050 | 482,662 | 779,712 |
| <u>3,819,447</u> | <u>4,087,050</u> | <u>7,474,349</u> | <u>54,503,116</u> |
| <u>(629,607)</u> | <u>1,336,522</u> | <u>790,655</u> | <u>2,641,146</u> |
| 8,640 | - | 9,031 | 18,332 |
| 581,093 | - | - | 581,093 |
| 496,528 | - | 4,948 | 578,638 |
| 792,440 | - | 1,570,838 | 5,593,537 |
| <u>(1,140,000)</u> | <u>-</u> | <u>(1,940,334)</u> | <u>(5,593,537)</u> |
| <u>738,701</u> | <u>-</u> | <u>(355,517)</u> | <u>1,178,063</u> |
| 109,094 | 1,336,522 | 435,138 | 3,819,209 |
| <u>10,018,816</u> | <u>5,532,811</u> | <u>2,602,889</u> | <u>27,371,408</u> |
| <u>\$ 10,127,910</u> | <u>\$ 6,869,333</u> | <u>\$ 3,038,027</u> | <u>\$ 31,190,617</u> |

COLLETON COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | | | |
|--|--|----|-----------|
| Net change in fund balances - total governmental funds | | \$ | 3,819,209 |
|--|--|----|-----------|

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

| | | | |
|----------------------|----|-------------|-------------|
| Capital outlay | \$ | 1,433,624 | |
| Depreciation expense | | (3,854,531) | (2,420,907) |

| | | | |
|--|--|--|-----------|
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. | | | (193,492) |
|--|--|--|-----------|

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

| | | | |
|--|----|-----------|-----------|
| Property taxes and other special assessments | \$ | (333,011) | |
| Solid waste receivables | | 6,110 | (326,901) |

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The effects of these items are as follows:

| | | | |
|--|----|-----------|-----------|
| Repayment of the principal of long-term debt | \$ | 5,198,333 | |
| Issuance of long-term debt | | (581,093) | |
| Premium on bond issuance | | | |
| Amortization of premium on long-term debt | | 74,616 | 4,691,856 |

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following amounts represent the net liability changes using the full accrual method of accounting:

| | | | |
|---|----|-------------|---------------------|
| Pension liability | \$ | (2,194,753) | |
| Landfill closure and post-closure liability | | (20,306) | |
| Compensated absences | | (70,685) | |
| Accrued interest on long-term debt | | 45,107 | |
| Other post-employment benefits liability | | (378,212) | (2,618,849) |
| | | | <u>\$ 2,950,916</u> |

The accompanying notes are an integral part of these financial statements.

COLLETON COUNTY, SOUTH CAROLINA

**STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021**

| | |
|---|----------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 11,866,443 |
| Taxes receivable | 3 |
| Other receivable | 4,509 |
| Total assets | <u>\$ 11,870,955</u> |
| LIABILITIES | |
| Due to others | \$ 8,947,965 |
| Total liabilities | <u>\$ 8,947,965</u> |
| NET POSITION | |
| Restricted for individuals, organizations and other governments | \$ 2,922,990 |
| | <u>\$ 2,922,990</u> |

The accompanying notes are an integral part of these financial statements.

COLLETON COUNTY, SOUTH CAROLINA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021

| ADDITIONS | |
|--|----------------------------|
| Taxes | \$ 22,212,654 |
| Fines and fees | 4,090,080 |
| Miscellaneous | 20,133,289 |
| Total additions | <u>46,436,023</u> |
| DEDUCTIONS | |
| Taxes and fees paid to other governments | 30,900,555 |
| Other custodial disbursements | 13,570,953 |
| Total deductions | <u>44,471,508</u> |
| Change in fiduciary net position | <u>1,964,515</u> |
| Net position, beginning of year, as restated | 958,475 |
| Net position, end of year | <u><u>\$ 2,922,990</u></u> |

The accompanying notes are an integral part of these financial statements.

COLLETON COUNTY, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Reporting Entity

Colleton County, South Carolina (the "County"), is governed by a five-member County Council (the "Council") under the Council-Administrator form of government, pursuant to the South Carolina Home Rule Act. Members of the Council are elected from resident districts. The Council acts as the governing body of the County with power to pass ordinances and adopt resolutions. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. The County does not have any blended component units as of June 30, 2021.

Discretely Presented Component Units

The nine members of the **Colleton County Memorial Library's (the "Library")** governing board are appointed by the Council. The Library is fiscally dependent upon the government because the Council approves the Library's budgets, and can significantly influence the decisions of the Library. The Library does not issue separate financial statements.

The five members of the **Colleton County Fire and Rescue Commission (the "Fire and Rescue Commission")** are selected by the Council from ten members presented by the Fire Control Board, an advisory board comprised of a member from each of the participating fire departments. The Fire and Rescue Commission is fiscally dependent upon the government because the Council approves the Fire and Rescue Commission's budgets, levies taxes and must approve any debt issuances. The Fire and Rescue Commission does not issue separate financial statements.

The nine members of the **Colleton County Commission on Alcohol and Drug Abuse (the "Alcohol and Drug Commission")** governing board are appointed by the Council. The Alcohol and Drug Commission is fiscally dependent upon the County because the Council approves the Alcohol and Drug Commission's budgets and can significantly influence the decisions of the Alcohol and Drug Commission. Separately issued financial statements may be obtained at 1439 Thunderbolt Drive, Walterboro, South Carolina, 29488.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has three discretely presented component units. While the Alcohol and Drug Commission is not considered to be a major component unit, it is nevertheless shown in a separate column in the government-wide financial statements.

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds are eliminated or reclassified in the government-wide financial statements. Eliminations have been made in the statement of activities to remove the “doubling-up” effect of internal service fund activity. Interfund services provided and used are not eliminated in the process of consolidation. Also, the County allocates indirect cost to each of its funds. The indirect costs are eliminated in the government-wide financial statements.

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the County’s funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Fiduciary funds are reported by type.

The County reports the following major governmental funds:

The **General Fund** is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Special Revenue Fund** accounts for all grants and contributions awarded to the County.

The **Coronavirus Local Fiscal Recovery Fund** accounts for grant funds awarded to the County from the U.S. Department of Treasury as part of the State and Local Fiscal Recovery Fund under the American Rescue Plan.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Basis of Presentation – Fund Financial Statements (Continued)

The **Capital Projects Fund** accounts for the transactions of the acquisition of capital assets and construction of major capital projects.

The **Capital Sales Tax Debt Service Fund** is used to collect local option special purpose taxes and disburse debt payments for the Capital Penny Sales Tax Bond that was passed by voter referendum.

In addition, the County reports the following nonmajor fund types:

The **Special Revenue Funds** account for revenue sources that are legally restricted to expenditures for specific purposes (not including expendable trusts or major capital projects) such as grants, fire and other special purpose fees, and economic development.

The **Debt Service Funds** account for the accumulation of resources for, and payment of, long-term debt principal and interest. The County's Debt Service Fund was established and is maintained in accordance with acts passed by the General Assembly of South Carolina authorizing the sale of general obligation bonds of the County. The Non-GOB Debt Service Fund accounts for the accumulation of funds and payment of various capital leases and notes payable.

Additionally, the County reports the following fund types.

The **Custodial Funds** are used to account for monies held on behalf of school districts, special districts and other agencies that use the County as a depository, or property taxes that are collected on behalf of the other governments.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the presentation of the government-wide financial statements.

Further, certain activity occurs during the year involving transfers of resources between funds. In the fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in the governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within the first 60 days of the end of the current fiscal period, except for grant reimbursements for which the availability period is 120 days. Expenditures generally are recorded when a liability is incurred as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and, therefore, have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 120 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles ("GAAP") for the General Fund, the Fire and Rescue Commission, and the Memorial Library. All other special revenue funds and debt service funds (excludes the GO Bond Fund, State Accommodations Fund, Sheriff's Discretionary Fund and the 14th Circuit Court Solicitor Fund) that have appropriated budgets, also conform to GAAP but tend to follow the revenue source generated by those funds (i.e., grant awards and projects funds). All annual appropriations lapse at fiscal year-end. Due to the late receipt of funding for the Coronavirus Local Fiscal Recovery Fund, a formal budget was not adopted during the fiscal year. However, the County has established a project-length budget for this fund.

The appropriated budget is prepared by fund, function, and department. The government's departmental heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the County Administrator. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The Council may make supplemental budgetary appropriations throughout the year.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executor) contracts for goods and services (i.e., purchase order, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year-end, valid outstanding encumbrances (those for which performance under executor contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Cash and Cash Equivalents and Deposits

The "deposits" classification is used only in the notes, not on the face of the statement of net position. Deposits include cash on hand, pooled money market funds and certificates of deposit.

The County considers cash and cash equivalents for cash flow purposes to be currency on hand, demand deposits with banks, amounts included in pooled cash and investment accounts, and liquid investments with an original maturity of three months or less when purchased.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)

Investments

In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments are carried at fair value determined annually based upon quoted market prices. The total fair value of the pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.

The County and its component units have a number of financial instruments, none of which are held for trading purposes. Except for non-participating investment contracts, investments are reported at fair value, which is based on quoted market prices. Debt securities are reported at cost or amortized cost.

Prepaid Items

Certain payments to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid items using the consumption method by recording the asset for the prepaid amount and reflecting the expenditure/expense in the year which the services are consumed. Prepaid items of governmental funds in the fund financial statements are offset by an equal amount with a reserve of fund balance to indicate that they are not available for general appropriation.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the governmental activities in the government-wide financial statements. Capital assets other than infrastructure are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. The capitalization threshold for infrastructure assets is \$50,000 for individual items and networks. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction of governmental-type activities is not capitalized.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)

Capital Assets (Continued)

All reported capital assets except land and certain infrastructure assets are depreciated. Useful lives for infrastructure are estimated based on the County's historical records of necessary improvements and replacements. Depreciation is provided using the straight-line method over the following estimated useful lives:

| Asset Class | County | Component Units | | |
|-----------------------------------|--------|------------------|----------------------------|-----------------------------|
| | | Memorial Library | Fire and Rescue Commission | Alcohol and Drug Commission |
| Buildings and improvements | | | | |
| Buildings | 45 | 45 | 45 | N/A |
| Building improvements | 10 | 10 | 10 | N/A |
| Improvements other than buildings | | | | |
| Improvements other than buildings | 10 | 10 | 10 | N/A |
| Radio and fire towers | 10 | 10 | 10 | N/A |
| Library materials | N/A | 5 | 5 | N/A |
| Machinery and equipment | | | | |
| Furniture and office equipment | 5 | 5 | 5 | 3 - 20 |
| Fire and medical equipment | 5 | 5 | 5 | N/A |
| Heavy vehicles and equipment | 10 | 10 | 10 | N/A |
| Vehicles | | | | |
| Airplanes | 6 | N/A | N/A | N/A |
| Law enforcement vehicles | 3 | N/A | N/A | N/A |
| Other vehicles | 5 | 5 | 5 | 3 - 20 |
| Infrastructure | 20 | N/A | N/A | N/A |

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and, therefore, will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports deferred outflows related to its net pension liability and total other post-employment benefits liability in the statement of net position. These amounts are deferred and recognized as an outflow of resources in the period in which the amounts become available.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)

Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and, therefore, will not be recognized as an inflow of resources (revenue) until that time. The County has unavailable revenues from property taxes and special assessments, fees, and intergovernmental revenue that arise under the modified accrual basis of accounting that qualifies for reporting in this category and is reported in the governmental funds balance sheet. The statement of net position reports deferred inflows related to its net pension liability, and total other post-employment benefits liability. These amounts are deferred and recognized as an inflow of resources in the period in which the amounts become available.

Net Position Flow Assumptions

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision-making authority. The governing Council is the highest level of decision-making authority for the County that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. The governing Council has, by resolution, authorized the administrator to assign fund balance. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and Expenditures/Expenses

Program Revenues

Amounts reported as program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues and Expenditures/Expenses (Continued)

Property Taxes

The County ordinance provides for the taxation of all real and personal property located within the County limits on the first day of January. Motor vehicle taxes are billed and collected by the County Treasurer on a monthly basis. Other personal and real property taxes are levied by the County after September of each year and become due and payable immediately upon receipt by the taxpayer. Real property taxes are delinquent after January 15th. Assessed property is subject to lien one year from the levy date if taxes remain unpaid.

Compensated Absences

Vacation – The County's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from County service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignation or retirement. The liability for compensated absences includes salary-related benefits, where applicable, and is paid from the general fund for the most part with a small portion related to other nonmajor governmental funds.

Sick Leave – Accumulated sick leave lapses when employees leave the employment of the County and, upon separation from service, no monetary obligation exists.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions. These estimates affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. DEPOSITS AND INVESTMENTS

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates that will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk

Credit risk is the risk that an issuer to an investment will not fulfill its obligations. In accordance with South Carolina state statutes, the County's investment decisions are at the discretion of the elected County Treasurer, subject to the statutes that authorize the County and its component units to invest in the following:

1. Obligations of the United States and agencies thereof;
2. Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating agencies;
3. General obligations of the State of South Carolina or any of its political units;
4. Savings and loan association deposits to the extent insured by the Federal Deposit Insurance Corporation;
5. Certificates of Deposit and repurchase agreements collateralized by securities of the type described in 1. and 2. above, held by a third-party as escrow agent or custodian, of a fair value not less than the amount of certificates of deposit and repurchase agreements so secured, including interest; and
6. No-load open and closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company, savings and loan association, or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit.

In addition, South Carolina state statutes authorize the County to invest in the South Carolina Local Government Investment Pool ("SCLGIP"). The SCLGIP is an investment mechanism authorized by the Legislature and signed into law on May 13, 1983, to provide local governments an opportunity to acquire maximum returns on investments by pooling available funds with funds from other political subdivisions. The SCLGIP is permitted under South Carolina 1976 Code of Laws Section 6-6-10, Section 12-45-220 and Section 11-1-60 to purchase obligations of the United States government treasuries, United States government agencies, repurchase agreements fully collateralized by United States government treasuries or agencies, corporate securities and commercial paper that bear an investment grade rating of at least two nationally recognized rating services.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. The County places no limit on the amount that may be invested in any one issuer. See below for additional information regarding the County's deposits. All funds of the Fire and Rescue Commission and the Library are included in the funds administered by the County Treasurer. The only exception to this is that the funds of the Alcohol and Drug Commission are not included in the funds administered by the County Treasurer.

| | Fair Value | Percentage of Portfolio |
|-----------------------------------|----------------------|------------------------------------|
| Repurchase agreements | \$ 32,789,571 | 71% |
| Certificates of deposit | 2,172 | 0% |
| Savings accounts | 215,160 | 0% |
| Checking accounts | 12,846,305 | 28% |
| Cash on hand | 7,374 | 0% |
| Deposits held by County Treasurer | <u>\$ 45,860,582</u> | <u>100%</u> |

Custodial Credit Risk – Deposits

In the case of deposits, custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. Deposits of the County are subject to South Carolina state statutes for custodial credit risk. The statutes provide that banks accepting deposits of funds from local government units must furnish an indemnity bond or pledge as collateral obligations of the United States, South Carolina, political subdivisions of South Carolina, the Federal National Mortgage Association, the Federal Home Loan Bank, the Federal Farm Credit Bank, or the Federal Home Loan Mortgage Corporation. Driven by the aforementioned statute, the County's informal policy requires deposits to be secured by collateral valued at fair or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation ("FDIC") insurance. Deposited funds may be invested in demand or time deposits, continuously and fully secured with direct obligations of or obligations guaranteed by the United States of America having a fair value not less than the amount of such monies. Custodial credit risk for deposits is not formally addressed by bond indentures. Indentures require that restricted deposits be maintained by the trustee bank, as custodian, specified in the indenture.

As of June 30, 2021, the County's bank balance of \$45,721,505 was fully collateralized by pledging financial institutions trust departments in the County's name.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Investments

In the case of investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The County does not have a formal investment policy regarding custodial credit risk.

NOTE 3. RECEIVABLES

Receivables as of year-end for the County's individual major funds, nonmajor funds in the aggregate and component units, including the applicable allowances for uncollectible accounts, are as follows:

| | Primary Government | | | | | |
|---------------------|---------------------|---------------------|-------------------|--------------------------------|-----------------------|--------------------------|
| | General | Special Revenue | Capital Projects | Capital Sales Tax Debt Service | Nonmajor Governmental | Total Primary Government |
| Taxes receivable | \$ 4,618,483 | \$ - | \$ - | \$ - | \$ 357,301 | \$ 4,975,784 |
| Accounts receivable | 1,515,968 | - | - | - | - | 1,515,968 |
| Other receivables | 1,795,862 | 1,476,285 | 642,359 | 1,390,496 | 206,081 | 5,511,083 |
| Less: allowance | (3,808,972) | - | - | - | (210,473) | (4,019,445) |
| Net receivables | <u>\$ 4,121,341</u> | <u>\$ 1,476,285</u> | <u>\$ 642,359</u> | <u>\$ 1,390,496</u> | <u>\$ 352,909</u> | <u>\$ 7,983,390</u> |

| | Component Units | | | |
|---------------------|----------------------------|-----------------------------|-----------------------|--|
| | Fire and Rescue Commission | Alcohol and Drug Commission | Total Component Units | |
| Taxes receivable | \$ 14,060,521 | \$ - | \$ 14,060,521 | |
| Accounts receivable | 721 | 38,000 | 38,721 | |
| Other receivables | - | 121,022 | 121,022 | |
| Less: allowance | (12,085,979) | (5,095) | (12,091,074) | |
| Net receivables | <u>\$ 1,975,263</u> | <u>\$ 153,927</u> | <u>\$ 2,129,190</u> | |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2021, consisted of the following:

| | Transfers In | Transfers Out |
|-----------------------------|---------------------|---------------------|
| Major Governmental Funds | | |
| General Fund | \$ 1,952,728 | \$ 2,513,203 |
| Special Revenue Fund | 1,277,531 | - |
| Capital Projects Fund | 792,440 | 1,140,000 |
| Nonmajor Governmental Funds | 1,570,838 | 1,940,334 |
| Component Unit | 922,214 | 922,214 |
| Total interfund balances | <u>\$ 6,515,751</u> | <u>\$ 6,515,751</u> |

Transfers are used: 1) to move revenues from the fund with collection authorization to the fund with expenditure authorization, and 2) to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, including amounts provided as matching funds for various grant programs.

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

| | Balance June 30, 2020 | Additions | Deletions | Transfers | Balance June 30, 2021 |
|--|--------------------------|-----------------------|---------------------|------------------|--------------------------|
| Governmental activities | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | \$ 3,269,948 | \$ 17,500 | \$ - | \$ 189,828 | \$ 3,477,276 |
| Land - infrastructure | 4,595,932 | - | - | - | 4,595,932 |
| Construction in progress | 1,381,977 | 1,257,992 | (174,002) | (1,019,118) | 1,446,849 |
| Total capital assets not being depreciated | <u>9,247,857</u> | <u>1,275,492</u> | <u>(174,002)</u> | <u>(829,290)</u> | <u>9,520,057</u> |
| Capital assets being depreciated: | | | | | |
| Buildings and improvements | 46,596,632 | - | (126,659) | - | 46,469,973 |
| Improvements other than buildings | 12,108,115 | 73,203 | - | 87,119 | 12,268,437 |
| Equipment and vehicles | 28,036,787 | 84,929 | (2,662,415) | 742,171 | 26,201,472 |
| Infrastructure | 14,436,202 | - | - | - | 14,436,202 |
| Total capital assets being depreciated | <u>101,177,736</u> | <u>158,132</u> | <u>(2,789,074)</u> | <u>829,290</u> | <u>99,376,084</u> |
| Less accumulated depreciation: | | | | | |
| Buildings and improvements | (15,718,065) | (1,125,415) | 126,659 | - | (16,716,821) |
| Improvements other than buildings | (6,451,861) | (742,504) | - | - | (7,194,365) |
| Equipment and vehicles | (19,982,307) | (1,519,863) | 2,642,925 | - | (18,859,245) |
| Infrastructure | (8,090,866) | (466,749) | - | - | (8,557,615) |
| Total accumulated depreciation | <u>(50,243,099)</u> | <u>(3,854,531)</u> | <u>2,769,584</u> | <u>-</u> | <u>(51,328,046)</u> |
| Total capital assets being depreciated, net | <u>50,934,637</u> | <u>(3,696,399)</u> | <u>(19,490)</u> | <u>829,290</u> | <u>48,048,038</u> |
| Governmental activities capital assets, net | <u>\$ 60,182,494</u> | <u>\$ (2,420,907)</u> | <u>\$ (193,492)</u> | <u>\$ -</u> | <u>\$ 57,568,095</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions of the primary government as follows:

| Governmental Activities | |
|--|---------------------|
| General government | \$ 345,735 |
| Judicial | (45,161) |
| Roads and bridges | 940,206 |
| Public safety | 762,815 |
| Solid waste | 301,540 |
| Recreation and culture | 1,451,606 |
| Health and human services | 97,790 |
| Total Governmental Activities Depreciation Expense | <u>\$ 3,854,531</u> |

Discretely Presented Component Units

Fire and Rescue Commission activity for the year ended June 30, 2021, is as follows:

| | Balance June 30, 2020 | Additions | Deletions | Transfers | Balance June 30, 2021 |
|--|--------------------------|-------------------|-------------|-------------|--------------------------|
| Fire and Rescue Commission | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | \$ 542,365 | \$ - | \$ - | \$ - | \$ 542,365 |
| Construction in progress | 1,184,519 | 1,141,116 | - | (1,390,162) | 935,473 |
| Total capital assets not being depreciated | 1,726,884 | 1,141,116 | - | (1,390,162) | 1,477,838 |
| Capital assets being depreciated: | | | | | |
| Buildings and improvements | 6,908,991 | - | - | 444,871 | 7,353,862 |
| Improvements other than buildings | 147,532 | - | - | - | 147,532 |
| Equipment and vehicles | 20,205,249 | 112,040 | (180,640) | 945,291 | 21,081,940 |
| Total capital assets being depreciated | 27,261,772 | 112,040 | (180,640) | 1,390,162 | 28,583,334 |
| Less accumulated depreciation: | | | | | |
| Buildings and improvements | (2,356,014) | (140,656) | - | - | (2,496,670) |
| Improvements other than buildings | (133,114) | (2,750) | - | - | (135,864) |
| Equipment and vehicles | (15,053,824) | (838,954) | 180,640 | - | (15,712,138) |
| Total accumulated depreciation | (17,542,952) | (982,360) | 180,640 | - | (18,344,672) |
| Total capital assets being depreciated, net | 9,718,820 | (870,320) | - | 1,390,162 | 10,238,662 |
| Fire and rescue commission capital assets, net | <u>\$ 11,445,704</u> | <u>\$ 270,796</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 11,716,500</u> |

Depreciation expense incurred by the Fire and Rescue Commission for the fiscal year ended June 30, 2021 was \$982,360.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

Discretely Presented Component Units (Continued)

Memorial Library activity for the year ended June 30, 2021, is as follows:

| Memorial Library | Balance June 30, 2020 | Additions | Deletions | Transfers | Balance June 30, 2021 |
|--|--------------------------|--------------------|----------------|-------------|--------------------------|
| Capital assets being depreciated: | | | | | |
| Buildings and improvements | \$ 119,026 | \$ - | \$ - | \$ - | \$ 119,026 |
| Library materials | 2,070,613 | 92,150 | (8,139) | - | 2,154,624 |
| Equipment and vehicles | 361,423 | - | - | - | 361,423 |
| Total capital assets being depreciated | <u>2,551,062</u> | <u>92,150</u> | <u>(8,139)</u> | <u>-</u> | <u>2,635,073</u> |
| Less accumulated depreciation: | | | | | |
| Buildings and improvements | (119,026) | - | - | - | (119,026) |
| Library materials | (1,856,908) | (87,328) | 8,139 | - | (1,936,097) |
| Equipment and vehicles | <u>(252,577)</u> | <u>(18,597)</u> | <u>-</u> | <u>-</u> | <u>(271,174)</u> |
| Total accumulated depreciation | <u>(2,228,511)</u> | <u>(105,925)</u> | <u>8,139</u> | <u>-</u> | <u>(2,326,297)</u> |
| Total capital assets being depreciated, net | <u>322,551</u> | <u>(13,775)</u> | <u>-</u> | <u>-</u> | <u>308,776</u> |
| Memorial library capital assets, net | <u>\$ 322,551</u> | <u>\$ (13,775)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 308,776</u> |

Depreciation expense incurred by the Memorial Library for the fiscal year ended June 30, 2021, was \$105,925.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM OBLIGATIONS

Long-term obligations for the year ended June 30, 2021, is as follows:

| | Balance June 30, 2020 | Additions | Reductions | Balance June 30, 2021 | Due Within One Year |
|--|--------------------------|---------------------|---------------------|--------------------------|------------------------|
| Primary Government | | | | | |
| Governmental activities: | | | | | |
| Bonds: | | | | | |
| General obligation | \$ 22,585,000 | \$ 581,093 | \$ 4,275,000 | \$ 18,891,093 | \$ 4,951,093 |
| Bond premiums | 294,822 | - | 74,616 | 220,206 | - |
| Capital leases | 1,756,625 | - | 923,333 | 833,292 | 833,292 |
| Net pension liability | 30,624,282 | 4,862,859 | 168,094 | 35,319,047 | - |
| Total OPEB liability | 3,553,380 | 847,410 | 40,594 | 4,360,196 | - |
| Compensated absences | 781,862 | 309,840 | 239,155 | 852,547 | 127,882 |
| Landfill closure and post-closure costs | 563,572 | 20,306 | - | 583,878 | - |
| Governmental activity long-term liabilities | <u>\$ 60,159,543</u> | <u>\$ 6,621,508</u> | <u>\$ 5,720,792</u> | <u>\$ 61,060,259</u> | <u>\$ 5,912,267</u> |

Landfill post-closure costs, net pension liability, compensated absences, and total OPEB liability are generally liquidated by the General Fund.

| | Balance June 30, 2020 | Additions | Reductions | Balance June 30, 2021 | Due Within One Year |
|--|--------------------------|---------------------|---------------------|--------------------------|------------------------|
| Component Units | | | | | |
| Fire and rescue commission | | | | | |
| Bonds: | | | | | |
| General obligation | \$ 8,420,000 | \$ - | \$ 1,005,000 | \$ 7,415,000 | \$ 1,030,000 |
| Bond premiums | 78,820 | - | 15,168 | 63,652 | - |
| Capital leases | 1,298,935 | - | 313,604 | 985,331 | 320,921 |
| Net pension liability | 12,004,186 | 6,895,681 | 4,916,717 | 13,983,150 | - |
| Total OPEB liability | 648,603 | 154,075 | 6,809 | 795,869 | - |
| Compensated absences | 301,602 | 184,279 | 139,485 | 346,396 | 51,960 |
| Governmental activity long-term liabilities | <u>\$ 22,752,146</u> | <u>\$ 7,234,035</u> | <u>\$ 6,396,783</u> | <u>\$ 23,589,398</u> | <u>\$ 1,402,881</u> |
| Memorial library | | | | | |
| Net pension liability | \$ 797,355 | \$ 400,206 | \$ 281,940 | \$ 915,621 | \$ - |
| Total OPEB liability | 430,987 | 99,048 | 1,186 | 528,849 | - |
| Compensated absences | 21,898 | 19,174 | 22,642 | 18,430 | 2,765 |
| Governmental activity long-term liabilities | <u>\$ 1,250,240</u> | <u>\$ 518,428</u> | <u>\$ 305,768</u> | <u>\$ 1,462,900</u> | <u>\$ 2,765</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

Primary Government

Bonds Payable

There are a number of limitations and restrictions contained in the various bond indentures. Management believes the County is in compliance with all significant limitations and restrictions.

The South Carolina constitution permits the County to incur general obligation (general purpose) bonded indebtedness not to exceed 8% of the assessed value of taxable property in the County. At June 30, 2021, the County was in compliance with this requirement.

The following is a summary of each long-term bond obligation of the governmental activities of the County at June 30, 2021:

| General Obligation Bonds | Amount |
|--|----------------------|
| \$5,395,000 General Obligation Bond, Series 2015, with interest of 3.498%, annual principal and interest payments beginning in 2017, matures 2032, for the purpose of refunding the special source revenue bond and for economic development purposes. | \$ 3,955,000 |
| \$4,000,000 General Obligation Bond, Series 2012, with interest of 2.0% to 3.0%, semi-annual principal and interest payments beginning 2013, matures 2032, for the purpose of economic development at the business park. | 2,420,000 |
| \$29,000,000 General Obligation Bond, Series 2015, 1.82% annual interest, annual principal and interest payments beginning in 2016, matures 2024, for the purpose of County-wide projects by voters. | 11,935,000 |
| \$581,093 General Obligation Bond, Series 2020, 1.27% annual interest, for the purpose of funding shortfalls in revenues to pay debt service on County debt, paid off in full subsequent to year-end. | 581,093 |
| | <u>\$ 18,891,093</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

Primary Government (Continued)

Bonds Payable (Continued)

The annual requirements to amortize the bonds are as follows:

| Year Ending June 30, | General Obligation Bonds | | |
|-------------------------|--------------------------|---------------------|----------------------|
| | Principal | Interest | Total |
| 2022 | \$ 4,951,093 | \$ 426,406 | \$ 5,377,499 |
| 2023 | 4,480,000 | 329,328 | 4,809,328 |
| 2024 | 4,615,000 | 224,958 | 4,839,958 |
| 2025 | 540,000 | 159,683 | 699,683 |
| 2026 | 555,000 | 144,248 | 699,248 |
| 2027 – 2030 | 2,415,000 | 443,402 | 2,858,402 |
| 2031 – 2032 | 1,335,000 | 24,226 | 1,359,226 |
| | <u>\$ 18,891,093</u> | <u>\$ 1,752,251</u> | <u>\$ 20,643,344</u> |

Refunding

In prior years, the County issued \$5.395 million General Obligation Bond Series 2015 that fully refunded the \$4.72 million Special Source Revenue Bond Series 2012. The refunding resulted in the County saving \$150,608 in debt service required from 2016 through 2023 to service the Series 2012 Special Source Revenue Bonds versus servicing the new debt Series 2015 General Obligation Bonds including the costs associated with completing the refunding.

Capital Lease

| Capital Leases Payable | Amount |
|--|-------------------|
| Lease #6 - The County has entered into a capital lease agreement with South State Bank of South Carolina, to acquire equipment, bearing interest at 2.791% with annual payments of \$833,292, maturing 2022. | <u>\$ 833,292</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

Primary Government (Continued)

Equipment Under Capitalized Leases

The County has entered into the above lease agreements for leasing vehicles, equipment, golf course, and the civic center. The cost of these assets is \$2,424,716 with accumulated depreciation of \$595,340 for a net value of \$1,829,376. Depreciation expense was \$313,285 for the current year. The lease on the vehicles and equipment is payable from the general fund while the civic center and golf course leases are payable from the County's debt service fund.

The remaining lease payments as of June 30, 2021, are as follows:

| <u>Year Ending June 30,</u> | <u>Capital Leases</u> | | |
|---------------------------------|-----------------------|------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2022 | \$ 833,292 | \$ 23,258 | \$ 856,550 |
| | <u>\$ 833,292</u> | <u>\$ 23,258</u> | <u>\$ 856,550</u> |

The interest paid on the capital lease obligations for the year ended June 30, 2021, was approximately \$39,826.

Landfill Closure and Post-Closure Care Costs

State and federal laws and regulations require the County to place a final cover on its landfill sites when each site stops accepting waste and to perform certain maintenance and monitoring functions at the sites for 20 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

Primary Government (Continued)

Landfill Closure and Post Closure Care Costs (Continued)

The \$583,878 reported as an accrual for landfill closure and post-closure care costs at June 30, 2021, includes the cumulative amount reported less amounts paid to date for the open site based on the following information.

| Estimated Remaining Landfill Life | Percentage Balance of Capacity Used | Estimated Total Costs | | | Remaining to be Recognized |
|--|--|-----------------------|-------------------|-------------------|----------------------------------|
| | | Closure | Post-closure | Total | |
| 11.5 years | 75% | <u>\$ 680,520</u> | <u>\$ 116,568</u> | <u>\$ 797,088</u> | <u>\$ 213,210</u> |

These amounts are based on what it would cost to perform all closure and post-closure care in fiscal year 2021. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. The Council has restricted cash of \$583,878 for payment of closure and post-closure care costs.

Discretely Presented Component Units

Fire and rescue general obligation bonds payable at June 30, 2021, consist of the following:

| General Obligation Bonds | Amount |
|---|----------------------------|
| \$6,445,000 Fire Protection Service General Obligation Bonds, Series 2012, 0.4% to 2.26% annual interest, annual principal and interest payments beginning in 2013, matures 2026. | \$ 2,480,000 |
| \$6,000,000 Fire Protection Service General Obligation Bonds, Series 2018, 3.0% annual interest, annual principal and interest payments beginning in 2020, matures 2029. | <u>4,935,000</u> |
| | <u><u>\$ 7,415,000</u></u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. LONG-TERM OBLIGATIONS (CONTINUED)

Primary Government (Continued)

Discretely Presented Component Units (Continued)

Future debt service requirements for fire and rescue general obligation bonds outstanding at June 30, 2021, are as follows:

| Year Ending June 30, | General Obligation Bonds | | |
|-------------------------|--------------------------|-------------------|---------------------|
| | Principal | Interest | Total |
| 2022 | \$ 1,030,000 | \$ 206,220 | \$ 1,236,220 |
| 2023 | 1,055,000 | 179,595 | 1,234,595 |
| 2024 | 1,085,000 | 151,825 | 1,236,825 |
| 2025 | 1,110,000 | 122,493 | 1,232,493 |
| 2026 | 1,145,000 | 91,700 | 1,236,700 |
| 2027 – 2029 | 1,990,000 | 120,450 | 2,110,450 |
| | <u>\$ 7,415,000</u> | <u>\$ 872,283</u> | <u>\$ 8,287,283</u> |

| Capital Leases Payable | Amount |
|--|-------------------|
| \$3,036,957 lease payable for radios at an interest rate of 2.32% with annual payments of \$343,779 beginning in fiscal year 2015. | |
| | <u>\$ 985,331</u> |

Equipment Under Capitalized Lease

The fire and rescue has entered into the above lease agreement for Motorola radios. The cost of these assets is \$3,422,784 with accumulated depreciation of \$1,346,608 with a net value of \$2,076,176. Depreciation expense was \$171,139 for the year. The lease on the radios is payable from the fire and rescue debt service fund. The remaining lease payments as of June 30, 2021, are as follows:

| Year Ending June 30, | Capital Leases | | |
|-------------------------|-------------------|------------------|---------------------|
| | Principal | Interest | Total |
| 2022 | \$ 320,921 | \$ 22,858 | \$ 343,779 |
| 2023 | 328,366 | 15,413 | 343,779 |
| 2024 | 336,044 | 7,724 | 343,768 |
| | <u>\$ 985,331</u> | <u>\$ 45,995</u> | <u>\$ 1,031,326</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Administration and Benefits

The County, as authorized by the County Commission, administers a single-employer defined benefit healthcare plan (the "Retiree Health Plan"). The Retiree Health Plan provides lifetime healthcare insurance for eligible retirees and their spouses through the County's group health insurance plan, which covers both active and retired members. Benefit provisions are established by the County Council. Retiree medical coverage levels for retirees and their families are the same as coverage provided to active County employees in accordance with the terms and conditions of the current State Health Insurance Plan. The cost assistance provided by the County is calculated based on 50% of the cost of the single plan under which the employee is covered for healthcare added to 50% of the cost of the single plan for dental coverage. The employees pay the remaining 50% plus any additional coverage for spouse or children and a \$3.00 administrative charge. Retirees not meeting the condition stated above must pay 100% of the total premium plus the \$3.00 administrative charge.

Even the provided benefits shown above are only "promised" on an annual basis and are not guaranteed beyond the annual appropriation and sufficiency of the annual appropriation to cover 50% of the cost. There are no "opt-out" benefits paid under any conditions nor are employees granted and sick-leave "pay-out" credit toward health insurance costs.

An employee who retires with 20 years of full-time employment, but is not age 62 at retirement may continue under the County's benefit program paying 100% of the plan costs until reaching the age of 62 at which time, he or she will be eligible for the 50% cost assistance for the employee.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and a separate report was not issued for the PHCB Plan.

Plan Membership

Membership of the Retiree Health Plan consisted of the following at June 30, 2019, the date of the latest actuarial valuation:

| | |
|---|-------------------|
| Active participants | 365 |
| Retirees and beneficiaries currently receiving benefits | <u>25</u> |
| Total plan members | <u><u>390</u></u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Contributions

Contribution requirements are established annually by the County Council. The required contribution is based on projected “pay as you go” financing requirements. For the year ended June 30, 2021, the County contributed \$41,981 for the pay as you go benefits for the Retiree Health Plan.

Total OPEB Liability of the County

Effective July 1, 2017, the County implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, which significantly changed the County’s accounting for OPEB amounts. The information disclosed below is presented in accordance with this new standard.

The County’s total OPEB liability was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2019, with the actuary using standard techniques to roll forward the liability to the measurement date.

Actuarial assumptions. The total OPEB liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|-----------------------------|--|
| Discount rate: | 2.45% as of June 30, 2020 |
| Healthcare cost trend rate: | Initial rate of 6.40% declining to an ultimate rate of 4.00% after 15 years. Ultimate trend rate includes a 0.15% adjustment for the excise tax. |
| Inflation rate: | 2.25% |
| Salary increase: | 3.50% to 9.50% for PORS and 3.00% to 7.00% for SCRS, including inflation. |
| Participation rate: | 70% if retiree has at least 20 years of service and is at least 60 years old at retirement. 35% if retiree has at least 20 years of service and is at least 60 years old at retirement. 20% for retirees that have fewer than 20 years of service. |

Mortality rates were based on the 2016 Public Retirees of South Carolina Mortality Table for males or females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the June 30, 2020, valuation was based on the results of an actuarial experience study for the period 2011 – 2015.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Discount rate

The discount rate used to measure the total OPEB liability was 2.45%. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher – which was 3.62% as determined by the Bond Buyer 20-Bond GO Index Rate as of June 30, 2021. The discount rate changed from 3.13% as of June 30, 2019 to 2.45% as of June 30, 2020.

Changes in the Total OPEB Liability of the County

The changes in the total OPEB liability of the County, and respective component units, for the year ended June 30, 2021, were as follows:

| | Total OPEB Liability | | |
|--|-----------------------|-----------------------------|---------------------|
| | Primary Government | Fire & Rescue Commission | Memorial Library |
| Beginning Balance | \$ 3,553,380 | \$ 648,603 | \$ 430,987 |
| Changes for the year: | | | |
| Service cost | 273,464 | 49,915 | 33,158 |
| Interest | 114,920 | 20,976 | 13,934 |
| Difference between expected actual experience | 1,434 | 262 | 174 |
| Effect of assumption changes | 454,267 | 82,916 | 55,115 |
| Benefit payments | (37,269) | (6,803) | (4,519) |
| Net changes | 806,816 | 147,266 | 97,862 |
| Ending Balance | \$ 4,360,196 | \$ 795,869 | \$ 528,849 |

The required schedule of changes in the County's total OPEB liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about the total OPEB liability.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the County, and the respective component units, as well as what the County's, and respective component unit's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.45%) or 1-percentage-point higher (3.45%) than the current discount rate:

| Sensitivity of the Total OPEB Liability to Changes in the Discount Rate | | | | |
|--|--------------------------------|--|--------------------------------|--|
| | 1% Decrease (1.45%) | Current Discount Rate (2.45%) | 1% Increase (3.45%) | |
| Primary Government | \$ 5,293,260 | \$ 4,360,196 | \$ 3,631,055 | |
| Component Units | | | | |
| Fire and Rescue Commission | 966,175 | 795,869 | 662,774 | |
| Memorial Library | 641,816 | 528,849 | 440,271 | |

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the County, and respective component units, as well as what the County's and component unit's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

| Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates | | | | |
|--|--------------------|--|--------------------|--|
| | 1% Decrease | Current Healthcare Cost Trend Assumption Rate | 1% Increase | |
| Primary Government | \$ 3,391,800 | \$ 4,360,196 | \$ 5,683,653 | |
| Component Units | | | | |
| Fire and Rescue Commission | 619,103 | 795,869 | 1,037,433 | |
| Memorial Library | 411,261 | 528,849 | 689,152 | |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Difference between expected and actual experience | \$ 1,279 | \$ 152,532 |
| Assumption changes | 594,599 | 213,376 |
| Employer contributions subsequent to the measurement date | 24,496 | - |
| Total | <u>\$ 620,374</u> | <u>\$ 365,908</u> |

County contributions subsequent to the measurement date of \$24,496, for the Retiree Health Plan are deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2022.

Amounts reported as deferred outflows of resources and deferred inflows of resources for the County related to OPEB will be recognized in OPEB expense as follows:

| <u>Year ending June 30,</u> | |
|-----------------------------|-------------------|
| 2022 | \$ 14,334 |
| 2023 | 14,334 |
| 2024 | 14,334 |
| 2025 | 14,334 |
| 2026 | 14,334 |
| Thereafter | 158,300 |
| Total | <u>\$ 229,970</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

At June 30, 2021, the Fire and Rescue Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Difference between expected and actual experience | \$ 233 | \$ 27,842 |
| Assumption changes | 108,533 | 38,947 |
| Employer contributions subsequent to the measurement date | 4,471 | - |
| Total | <u>\$ 113,237</u> | <u>\$ 66,789</u> |

Fire and Rescue Commission contributions subsequent to the measurement date of \$4,471, for the Retiree Health Plan are deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2022.

Amounts reported as deferred outflows of resources and deferred inflows of resources for the Fire and Rescue Commission related to OPEB will be recognized in OPEB expense as follows:

| <u>Year ending June 30,</u> | |
|-----------------------------|------------------|
| 2022 | \$ 2,616 |
| 2023 | 2,616 |
| 2024 | 2,616 |
| 2025 | 2,616 |
| 2026 | 2,616 |
| Thereafter | 28,897 |
| Total | <u>\$ 41,977</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

At June 30, 2021, the Memorial Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Difference between expected and actual experience | \$ 155 | \$ 18,495 |
| Assumption changes | 72,120 | 25,886 |
| Employer contributions subsequent to the measurement date | 2,970 | - |
| Total | <u>\$ 75,245</u> | <u>\$ 44,381</u> |

Memorial Library contributions subsequent to the measurement date of \$2,970, for the Retiree Health Plan are deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2022.

Amounts reported as deferred outflows of resources and deferred inflows of resources for the Memorial Library related to OPEB will be recognized in OPEB expense as follows:

| <u>Year ending June 30,</u> | |
|-----------------------------|------------------|
| 2022 | \$ 1,738 |
| 2023 | 1,738 |
| 2024 | 1,738 |
| 2025 | 1,738 |
| 2026 | 1,738 |
| Thereafter | 19,204 |
| Total | <u>\$ 27,894</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

OPEB Expense

For the year ended June 30, 2021, the County, Fire and Rescue Commission, and the Memorial Library recognized OPEB expense of \$353,353; \$64,497; and \$42,845, respectively.

OPEB expense for the Retiree Health Plan is calculated as follows:

| Description | Primary Government | Fire & Rescue Commission | Memorial Library |
|---|-----------------------|-----------------------------|---------------------|
| Service cost | \$ 273,464 | \$ 49,915 | \$ 33,158 |
| Interest on the total OPEB liability | 114,920 | 20,976 | 13,934 |
| Recognition of deferred outflows/inflows of resources due to liabilities | 5,422 | 990 | 658 |
| Amortization of prior year deferred outflows/inflows of resources due to liabilities | (40,453) | (7,384) | (4,905) |
| Total employer OPEB expense | <u>\$ 353,353</u> | <u>\$ 64,497</u> | <u>\$ 42,845</u> |

NOTE 8. RETIREMENT PLAN

Description of the Entity

The South Carolina Public Employee Benefit Authority ("PEBA"), created July 1, 2012, is the state agency responsible for the administration and management of the various retirement systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' ("Systems") five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority ("SFAA"), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Description of the Entity (Continued)

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with GAAP. For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

PEBA – Insurance Benefits issues audited financial statements and required supplementary information for the OPEB Trust Funds. This information is publicly available through the PEBA – Insurance Benefits' link on PEBA's website at www.peba.sc.gov or a copy may be obtained by submitting a request to PEBA – Insurance Benefits, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and, therefore, OPEB Trust fund financial information is also included in the annual comprehensive financial report of the state.

Plan Description

The County contributes to the South Carolina Retirement System ("SCRS"), a cost-sharing multiple-employer defined benefit pension plan that was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts and political subdivisions.

In addition to the SCRS pension plan, the County also contributes to the PORS, a cost-sharing multiple-employer defined benefit pension plan that was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firemen of the state and its political subdivisions.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Membership

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is described below.

South Carolina Retirement System (“SCRS”) – Generally, all employees of covered employers are required to participate in and contribute to the SCRS as a condition of employment. This plan covers general employees, teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the SCRS with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the SCRS with an effective date of membership on or after July 1, 2012, is a Class Three member.

South Carolina Police Officers’ Retirement System (“PORS”) – To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Benefits

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation. A brief summary of benefit terms for each system is presented below.

South Carolina Retirement System (“SCRS”) – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member’s age and the member’s creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Benefits (Continued)

South Carolina Retirement System ("SCRS") (Continued)

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

South Carolina Police Officers' Retirement System ("PORS") – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability ("UAAL") over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00% for SCRS and 9.75% for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year through July 1, 2022. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85%. If the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the System (the funded ratio) that is equal to or greater than 85%, then the Board, effective on the following July 1st, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85%.

If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the System shows a funded ratio of less than 85%, then effective on the following July 1st, and annually thereafter as necessary, the Board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the System shows a funded ratio that is equal to or greater than 85%.

Required employee contribution rates for the year ended June 30, 2021, are as follows:

South Carolina Retirement System

| | |
|----------------------|--------------------------------|
| Employee Class Two | 9.00% of earnable compensation |
| Employee Class Three | 9.00% of earnable compensation |

South Carolina Police Officers' Retirement System

| | |
|----------------------|--------------------------------|
| Employee Class Two | 9.75% of earnable compensation |
| Employee Class Three | 9.75% of earnable compensation |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Contributions (Continued)

Required employer contribution rates for the year ended June 30, 2021, are as follows:

South Carolina Retirement System

| | |
|-----------------------------------|---------------------------------|
| Employee Class Two | 15.41% of earnable compensation |
| Employee Class Three | 15.41% of earnable compensation |
| Employer incidental death benefit | 0.15% of earnable compensation |

South Carolina Police Officers' Retirement System

| | |
|-----------------------------------|---------------------------------|
| Employee Class Two | 17.84% of earnable compensation |
| Employee Class Three | 17.84% of earnable compensation |
| Employer incidental death benefit | 0.20% of earnable compensation |
| Employer accidental death program | 0.20% of earnable compensation |

Net Pension Liability

The June 30, 2019, total pension liability ("TPL"), net pension liability ("NPL"), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel, Roeder, Smith and Company ("GRS") and are based on an actuarial valuation performed as of July 1, 2019. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year-end, June 30, 2020, using generally accepted actuarial principles. Information included in the following schedules is based on the certification provided by GRS.

The net pension liability is calculated separately for each System and represents that particular System's total pension liability determined in accordance with GASB No. 67, less that System's fiduciary net position. As of June 30, 2021 (measurement date of June 30, 2020), the net pension liability amounts for the County's proportionate share of the collective net pension liabilities associated with the SCRS and PORS plans are as follows:

As of June 30, 2021, the County's net pension liability amounts for SCRS and PORS are as follows:

| System | Total Pension Liability | Plan Fiduciary Net Position | Employer's Net Pension Liability | Plan Fiduciary Net Position as a percentage of the Total Pension Liability | County's Proportionate Share of the Collective Net Pension Liability |
|--------|-------------------------------|-----------------------------------|--|---|--|
| SCRS | \$ 50,923,733 | \$ 25,825,599 | \$ 25,098,134 | 50.7% | 0.098225% |
| PORS | 24,799,762 | 14,578,849 | 10,220,913 | 58.8% | 0.308210% |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Net Pension Liability (Continued)

As of June 30, 2021, the Fire and Rescue Commission's net pension liability amounts for SCRS and PORS are as follows:

| System | Total Pension Liability | Plan Fiduciary Net Position | Employer's Net Pension Liability | Plan Fiduciary Net Position as a percentage of the Total Pension Liability | Fire and Rescue Commission's Proportionate Share of the Collective Net Pension Liability |
|---------------|--------------------------------|------------------------------------|---|---|---|
| SCRS | \$ 1,381,148 | \$ 700,438 | \$ 680,710 | 50.7% | 0.002664% |
| PORS | 32,276,790 | 18,974,350 | 13,302,440 | 58.8% | 0.401133% |

As of June 30, 2021, the Memorial Library's net pension liability amount for SCRS is as follows:

| System | Total Pension Liability | Plan Fiduciary Net Position | Employer's Net Pension Liability | Plan Fiduciary Net Position as a percentage of the Total Pension Liability | Memorial Library's Proportionate Share of the Collective Net Pension Liability |
|---------------|--------------------------------|------------------------------------|---|---|---|
| SCRS | \$ 1,857,779 | \$ 942,158 | \$ 915,621 | 50.7% | 0.003583% |

Actuarial Assumptions and Methods

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ended June 30, 2019 for first use in the July 1, 2021 actuarial valuation.

The June 30, 2020, total pension liability, net pension liability, and sensitivity information shown in this report were determined by our consulting actuary, Gabriel, Roeder, Smith and Company ("GRS") and are based on an actuarial valuation performed as of July 1, 2019. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2020, using generally accepted actuarial principles.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions and Methods (Continued)

The following provides a summary of the actuarial assumptions and methods used in the July 1, 2020, valuations for SCRS and PORS.

| | <u>SCRS</u> | <u>PORS</u> |
|----------------------------|-----------------------------------|----------------------------------|
| Actuarial cost method | Entry Age | Entry Age |
| Actuarial assumptions: | | |
| Investment rate of return | 7.25% | 7.25% |
| Projected salary increases | 3.0% to 12.5% (varies by service) | 3.5% to 9.5% (varies by service) |
| Inflation rate | 2.25% | 2.25% |
| Benefit adjustments | lesser of 1% or \$500 annually | lesser of 1% or \$500 annually |

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumption, the 2016 Public Retirees of South Carolina Mortality table (the "2016 PRSC"), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2016.

| <u>Former Job Class</u> | <u>Males</u> | <u>Females</u> |
|---|------------------------------------|------------------------------------|
| General Employees and Members of the General Assembly | 2016 PRSC Males multiplied by 100% | 2016 PRSC Males multiplied by 111% |
| Public Safety and Firefighters | 2016 PRSC Males multiplied by 125% | 2016 PRSC Males multiplied by 111% |

The long-term expected rate of return on pension plan investments is based upon 20-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions and Methods (Continued)

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2020 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.25% assumed annual investment rate of return used in the calculation of the TPL includes a 5.00% real rate of return and a 2.25% inflation component.

| <u>Asset Class</u> | <u>Target Asset Allocation</u> | <u>Expected Arithmetic Real Rate of Return</u> | <u>Long-Term Expected Portfolio Real Rate of Return</u> |
|----------------------------------|----------------------------------|--|---|
| Global Equity | 51.0% | | |
| Global Public Equity | 35.0% | 7.81% | 2.73% |
| Private Equity | 9.0% | 8.91% | 0.80% |
| Equity Options Strategies | 7.0% | 5.09% | 0.36% |
| Real Assets | 12.0% | | |
| Real Estate (Private) | 8.0% | 5.55% | 0.44% |
| Real Estate (REITs) | 1.0% | 7.78% | 0.08% |
| Infrastructure | 2.0% | 4.88% | 0.10% |
| Infrastructure | 1.0% | 7.05% | 0.07% |
| Opportunistic | 8.0% | | |
| GTAA/Risk Parity | 7.0% | 3.56% | 0.25% |
| Hedge Funds (non-PA) | 1.0% | 4.41% | 0.04% |
| Diversified Credit | 15.0% | | |
| Mixed Credit | 4.0% | 4.21% | 0.17% |
| Emerging Markets Debt | 4.0% | 3.44% | 0.14% |
| Private Debt | 7.0% | 5.79% | 0.40% |
| Conservative Fixed Income | 14.0% | | |
| Core Fixed Income | 13.0% | 1.60% | 0.21% |
| Cash and Short Duration (Net) | 1.0% | 0.56% | 0.01% |
| | 100.0% | | |
| | Total expected real return | | 5.80% |
| | Inflation for actuarial purposes | | 2.25% |
| | Total expected nominal return | | 8.05% |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, the County's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following table presents the sensitivity of the net pension liability to changes in the discount rate for the County and the respective component units.

| Sensitivity of the Net Position Liability to Changes in the Discount Rate | | | | |
|--|--------------------|----------------------|--------------------|--|
| | 1% Decrease | Current | 1% Increase | |
| | (6.25%) | Discount Rate | (8.25%) | |
| | | (7.25%) | | |
| Primary Government | | | | |
| SCRS | \$ 31,106,038 | \$ 25,098,134 | \$ 20,081,430 | |
| PORS | 13,530,726 | 10,220,913 | 7,563,289 | |
| Component Units | | | | |
| Fire and Rescue Commission | | | | |
| SCRS | 843,655 | 680,710 | 544,646 | |
| PORS | 17,610,186 | 13,302,440 | 9,843,590 | |
| Memorial Library | | | | |
| SCRS | 1,134,798 | 915,621 | 732,603 | |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Pension Expense

For the year ended June 30, 2021, pension expense was recognized as follows:

| <u>Primary Government</u> | <u>SCRS</u> | <u>PORS</u> |
|--|---------------------|---------------------|
| Proportionate share of aggregate plan pension expense | \$ 2,808,230 | \$ 1,472,289 |
| Deferred amounts from changes in proportion and differences between employer contributions and proportionate share on plan contributions | <u>346,401</u> | <u>129,742</u> |
| Employer pension expense | <u>\$ 3,154,631</u> | <u>\$ 1,602,031</u> |
| <u>Fire and Rescue Commission</u> | <u>SCRS</u> | <u>PORS</u> |
| Proportionate share of aggregate plan pension expense | \$ 76,164 | \$ 1,916,178 |
| Deferred amounts from changes in proportion and differences between employer contributions and proportionate share on plan contributions | <u>9,395</u> | <u>168,858</u> |
| Employer pension expense | <u>\$ 85,559</u> | <u>\$ 2,085,036</u> |
| <u>Memorial Library</u> | <u>SCRS</u> | |
| Proportionate share of aggregate plan pension expense | \$ 102,449 | |
| Deferred amounts from changes in proportion and differences between employer contributions and proportionate share on plan contributions | <u>12,637</u> | |
| Employer pension expense | <u>\$ 115,086</u> | |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS pensions plans, respectively, from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| SCRS | | |
| Differences between expected and actual experience | \$ 289,599 | \$ 94,907 |
| Net difference between projected and actual earnings on pension plan investments | 1,846,180 | - |
| Assumption changes | 30,749 | - |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 827,779 | 304,732 |
| Employer contributions subsequent to the measurement date | 1,678,099 | - |
| Total | <u>\$ 4,672,406</u> | <u>\$ 399,639</u> |

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| PORS | | |
| Differences between expected and actual experience | \$ 217,215 | \$ 44,990 |
| Net difference between projected and actual earnings on pension plan investments | 1,046,595 | - |
| Assumption changes | 124,728 | - |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 256,181 | - |
| Employer contributions subsequent to the measurement date | 846,418 | - |
| Total | <u>\$ 2,491,137</u> | <u>\$ 44,990</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

County contributions subsequent to the measurement date of \$1,678,099 and \$846,418, for the SCRS plan and the PORS plan, respectively, and changes in proportion and differences between employer contributions and proportionate share of contributions are deferred outflows/inflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year ending June 30,</u> | <u>SCRS</u> | <u>PORS</u> |
|-----------------------------|---------------------|---------------------|
| 2022 | \$ 445,853 | \$ 548,462 |
| 2023 | 892,184 | 414,178 |
| 2024 | 785,528 | 364,208 |
| 2025 | 471,103 | 272,881 |
| Total | <u>\$ 2,594,668</u> | <u>\$ 1,599,729</u> |

At June 30, 2021, the Fire and Rescue Commission reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS pension plans, respectively, from the following sources:

| SCRS | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Differences between expected and actual experience | \$ 7,854 | \$ 2,574 |
| Net difference between projected and actual earnings on pension plan investments | 50,072 | - |
| Assumption changes | 834 | - |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 22,451 | 8,265 |
| Employer contributions subsequent to the measurement date | 45,513 | - |
| Total | <u>\$ 126,724</u> | <u>\$ 10,839</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| PORS | | |
| Differences between expected and actual experience | \$ 282,704 | \$ 58,554 |
| Net difference between projected and actual earnings on pension plan investments | 1,362,140 | - |
| Assumption changes | 162,334 | - |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 333,418 | - |
| Employer contributions subsequent to the measurement date | 1,101,610 | - |
| Total | \$ 3,242,206 | \$ 58,554 |

The Fire and Rescue Commission contributions subsequent to the measurement date of \$45,513 and \$1,101,610, for the SCRS plan and the PORS plan, respectively, and changes in proportion and differences between employer contributions and proportionate share of contributions are deferred outflows/inflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year ending June 30,</u> | <u>SCRS</u> | <u>PORS</u> |
|-----------------------------|------------------|---------------------|
| 2022 | \$ 12,092 | \$ 713,821 |
| 2023 | 24,198 | 539,051 |
| 2024 | 21,305 | 474,015 |
| 2025 | 12,777 | 355,155 |
| Total | \$ 70,372 | \$ 2,082,042 |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At June 30, 2021, the Memorial Library reported deferred outflows of resources and deferred inflows of resources related to the SCRS pension plan from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| SCRS | | |
| Differences between expected and actual experience | \$ 10,565 | \$ 3,462 |
| Net difference between projected and actual earnings on pension plan investments | 67,352 | - |
| Assumption changes | 1,122 | - |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 30,199 | 11,118 |
| Employer contributions subsequent to the measurement date | 61,219 | - |
| Total | <u>\$ 170,457</u> | <u>\$ 14,580</u> |

The Memorial Library contributions subsequent to the measurement date of \$61,219 for the SCRS plan and changes in proportion and differences between employer contributions and proportionate share of contributions are deferred outflows/inflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ending June 30, | SCRS |
|----------------------|------------------|
| 2022 | \$ 16,265 |
| 2023 | 32,548 |
| 2024 | 28,657 |
| 2025 | 17,188 |
| Total | <u>\$ 94,658</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RETIREMENT PLAN (CONTINUED)

Pension Plan Fiduciary Net Position

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the separately issued ACFR containing financial statements and required supplementary information for SCRS and PORS. The ACFR of the Pension Trust Funds is publicly available on PEBA's Retirement Benefits' website at www.retirement.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, South Carolina 29211-1960.

NOTE 9. OTHER INFORMATION

Deferred Compensation Plans

Internal Revenue Code Section 457 Plan

The County offers its employees a deferred compensation plan, offered through the State of South Carolina, created in accordance with Internal Revenue Code Section 457. The plan, available to all regular full-time employees, permits participants to defer a portion of their salaries until future years. The deferred compensation is not available to the employee or his/her beneficiaries until termination, retirement, death, disability, or an approved hardship.

All amounts of compensation deferred under the plan are held in trust for the contributing employee and are not subject to claims of the County's general creditors. The plan is administered by the State of South Carolina.

Internal Revenue Code Section 401(k) Plan

The County also offers its participation in a deferred compensation plan, offered through the State of South Carolina, created in accordance with internal Revenue Code Section 401(k). The 401(k) plan has the same eligibility requirements as the 457 plan, although the withdrawal provisions are more lenient under the 401(k) plan. All amounts of compensation deferred under the plan are held in trust for the contributing employee and are not subject to claims of the County's general creditors. The funds are administered by the State of South Carolina.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. OTHER INFORMATION (CONTINUED)

Risk Management

The County and its component units are exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters, for which the County carries commercial insurance, and policies with the South Carolina Insurance Reserve Fund, a public entity risk pool currently operating as a common risk management and insurance program for local governments. The County and its component units are covered under the same risk management umbrella and pay a pro-rata share of an annual premium for general insurance coverage. The County pays annual premiums to the State Insurance Reserve Fund for certain general insurance coverage. The State Insurance Reserve Fund is self-sustaining through member premiums and reinsures through commercial companies for certain claims.

Contingent Liabilities

Grants

Amounts received or receivable from grantor agencies in previous years are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, could become a liability of the general fund or other applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

Litigation

The County is party to various legal proceedings which normally occur in governmental operations. These lawsuits involve environmental issues, alleged failure to appropriate proper budgets, employment matters, and certain claims under contractual agreements. In the opinion of County management, based on the advice of legal counsel with respect to litigation, the ultimate disposition of these lawsuits and claims will not have a material adverse effect on the County's financial position. Additionally, the County would be allowed to appropriate any required funds in a subsequent year.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. OTHER INFORMATION (CONTINUED)

Commitments

Construction Commitments

On June 30, 2021, the County has commitments under contracts for various architectural and engineering services and construction projects not completed of approximately \$140,981 that relate to the capital penny sales tax project approved by voter referendum.

As discussed earlier in Note 1, budgetary basis of accounting, the encumbrances and related appropriation lapse at the end of the year, but are re-appropriated and become part of the subsequent year's budget because performance under the executory contract is expected in the next year.

Encumbrances

As discussed in Note 1, budgetary basis of accounting, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year-end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

| <u>Governmental Fund</u> | <u>Amount</u> |
|--------------------------|---------------------|
| General Fund | \$ 90,026 |
| Capital Projects Fund | 3,978,799 |
| Special Revenue Fund | 772,979 |
| Total | <u>\$ 4,841,804</u> |

Operating Leases

The County participates in certain leases accounted for as operating leases. Future minimum rental payments required over the next five years under the non-cancellable operating leases having a remaining term in excess of one year at June 30, 2021, are as follows:

| <u>Year Ending June 30,</u> | <u>Total</u> |
|---------------------------------|---------------------|
| 2022 | \$ 832,036 |
| 2023 | 731,513 |
| 2024 | 688,164 |
| 2025 | 361,355 |
| 2026 | 100,764 |
| Total Payments | <u>\$ 2,713,832</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. OTHER INFORMATION (CONTINUED)

Commitments (Continued)

Operating Leases (Continued)

On May 12, 2017, Colleton County Intermodal Corporation, a non-profit corporation that was created for the purposes of promoting economic development of the County and economic development projects located in or for the benefit of the County issued \$7.61 million Taxable Economic Revenue Bonds for the purposes of acquiring the Hampton and Branchville Railroad so that it can be maintained in service.

The debt service on the Bonds will be primarily payable from the payment of Project Revenues made by Palmetto Railways to the Issuer under the terms of the Loan Agreement. It is not anticipated, however, that the Project Revenues will be sufficient to pay all debt service on the Bonds for the foreseeable future until industrial sites are developed near the project. In the event that Project Revenues are insufficient to make such payments, the Deposit and Reimbursement Agreement provides that the County will provide Reimbursement Payments to pay debt service on the Bonds. The Deposit and Reimbursement Agreement provides that the County will budget for each fiscal year Reimbursement Payments to pay debt service on the Bond for such fiscal year. Notwithstanding the preceding sentence, in adopting its general operating budget, the County Council may, in its sole discretion, determine not to appropriate the Reimbursement Payments through an Event of Non-appropriation.

NOTE 10. NET INVESTMENT IN CAPITAL ASSETS

The following summarizes the amounts included in the calculation for the net investment in capital assets. The County received the bond proceeds of \$30,272,627 in May 2015 and has unspent funds on hand of \$6,191,504. The list of projects includes asset acquisitions as well as assistance to other entities within the County. The Fire and Rescue Commission received proceeds of \$6,100,337 in November 2018 and has unspent funds on hand of \$607,003. The list of projects include asset acquisitions as well as improvements to fire stations. The net investment in capital assets is summarized below:

| | County | Component Units | |
|------------------------------|------------------------------------|---|-----------------------------|
| | Governmental Activities | Fire & Rescue Commission | Memorial Library |
| Capital assets, net | \$ 57,568,095 | \$ 11,716,500 | \$ 308,776 |
| Long-term obligations | (19,944,591) | (8,463,983) | - |
| Bond proceeds on hand | 6,191,504 | 607,003 | - |
| Investment in capital assets | <u>\$ 43,815,008</u> | <u>\$ 3,859,520</u> | <u>\$ 308,776</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11. TAX ABATEMENTS

The County negotiates property tax abatement agreements on an individual basis. The County has tax abatement agreements with the following as of June 30, 2021:

| Purpose | Percentage of Taxes Abated during the Fiscal Year | Amount of County Taxes Abated during the Fiscal Year | Term of Agreement |
|---|--|---|--------------------------|
| Manufacturing facility locates in the area and provides employment opportunities for citizens | 78% | \$ 81,165 | 25 Years |
| Manufacturing facility locates in the area and provides employment opportunities for citizens | 43% | \$ 35,756 | 25 Years |
| Provide health care to citizens in the area | 48% | \$ 19,694 | 25 Years |
| Manufacturing facility locates in the area and provides employment opportunities for citizens | 48% | \$ 15,464 | 25 Years |

Industries that invest at least \$2.5 million within a five to six-year investment period in South Carolina may negotiate for a fee-in-lieu of property taxes under the authority of South Carolina Code of Laws Title 12 Chapter 44, Title 4 Chapter 29 and Chapter 12. This can result in a savings of about 40% on property taxes otherwise due for a project. Certain large investments may be able to further reduce their liability by negotiating the assessment ratio from 10.5% down to 6%. For large investments, the assessment ratio can be reduced to 4% and the investment period is extended to an eight-year investment period. The County and the industry may agree to either set the millage rate for the entire agreement period or have the millage change every five years in step with the average millage rate for the area where the project is located. Any personal property subject to the fee in lieu of property taxes depreciates in accordance with South Carolina law, while the real property is either set at cost for the life of the agreement or can be appraised every five years.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11. TAX ABATEMENTS (CONTINUED)

If the project would incur costs of designing, acquiring, constructing, improving, or expanding improved or unimproved real estate or personal property to be used in the operation of a manufacturing or commercial enterprise, infrastructure servicing the project or certain aircraft, the industries may negotiate a Special Source Revenue Credit under the authority of South Carolina Code of Laws Section 4-29-68, 4-1-170 and 12-44-70. This can result in additional savings of 15% on property taxes otherwise due for a project and is applied manually as credit to the applicable tax bill.

In each of the agreements disclosed above, the County has provided no additional commitments other than the abatement of taxes which would continue in effect for the term of the agreement as long as the industry complies with investment and job creation that are outlined in each agreement within the investment period of not to exceed five years.

NOTE 12. RESTATEMENT OF PRIOR YEAR NET POSITION AND FUND BALANCE

In fiscal year 2021, the County adopted GASB Statement No. 84, Fiduciary Activities. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on: 1) whether a government is controlling the assets of the fiduciary activity, and 2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. These changes are in accordance with generally accepted accounting principles. The County restated beginning fund balance and net position for the cumulative effect of this accounting change as noted below:

| | Fiduciary Funds | Primary Government |
|--|----------------------------|-------------------------------|
| Net position, as previously reported | \$ - | \$ 33,137,243 |
| Change in accounting principle due to the implementation of GASB Statement No. 84 | 958,475 | (19,747) |
| Net position, as restated | <u>\$ 958,475</u> | <u>\$ 33,117,496</u> |

| | Nonmajor Governmental Funds |
|--|--|
| Fund balance, as previously reported | \$ 2,622,636 |
| Change in accounting principle due to the implementation of GASB Statement No. 84 | (19,747) |
| Fund balance, as restated | <u>\$ 2,602,889</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 13. SUBSEQUENT EVENT

On October 27, 2021, a general obligation bond was issued in the amount of \$578,398 to reimburse the cost of the scheduled debt service on the 2017 Colleton County Intermodal Corporation Revenue Bonds. The bond carries an August 5, 2022 maturity date and pays interest of 1.20%. More information about the 2017 Colleton County Intermodal Corporation Revenue Bonds can be found under Note 9 – Commitments.

On June 29th, 2021, the County received notice from the Guarantor of the Investment Agreement dated June 23, 2015 that is for the 2015 GO Bond proceeds funding the county-wide capital sales tax projects. The Guarantor was downgraded from “A+” to “A” by Standard and Poor’s. At the next quarterly redemption date of July 1, 2021, the Guarantor chose to terminate the agreement instead of delivering additional security. Remaining Capital Project Sales Tax funds of \$8,076,613 were received by the County and promptly invested by the County.

On November 19, 2021, the County closed on a \$5.5 million five-year lease financing agreement with South State Bank. South State bank was the selected local lowest cost responder. The proceeds will be used to purchase replacement heavy equipment and trucks in public works, solid waste, and fire rescue. Debt service is paid semi-annually at an interest rate of 1.00% and can be prepaid at the County’s option.

REQUIRED SUPPLEMENTARY INFORMATION

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | Budgeted Amounts | | | Variance with Final Budget |
|---|------------------|---------------|---------------|----------------------------------|
| | Original | Final | Actual | |
| REVENUES | | | | |
| Taxes | \$ 23,510,098 | \$ 23,511,258 | \$ 24,325,353 | \$ 814,095 |
| Intergovernmental | 1,865,437 | 1,927,558 | 2,319,839 | 392,281 |
| Fines and fees | 6,283,625 | 6,293,625 | 6,543,841 | 250,216 |
| Other income | 1,032,672 | 1,032,672 | 313,137 | (719,535) |
| Total revenues | 32,691,832 | 32,765,113 | 33,502,170 | 737,057 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 10,451,937 | 10,397,676 | 9,429,858 | 967,818 |
| Judicial | 1,452,076 | 1,452,076 | 1,327,428 | 124,648 |
| Public safety | 8,784,504 | 8,814,410 | 8,411,186 | 403,224 |
| Roads and bridges | 2,230,789 | 2,215,789 | 1,883,599 | 332,190 |
| Solid waste | 2,965,042 | 3,008,569 | 2,907,097 | 101,472 |
| Recreation and culture | 1,736,486 | 1,742,286 | 1,701,882 | 40,404 |
| Health and human services | 912,480 | 914,218 | 869,653 | 44,565 |
| Economic development | 279,048 | 291,299 | 285,032 | 6,267 |
| Intergovernmental | 3,850,673 | 5,202,715 | 5,205,380 | (2,665) |
| Capital outlay: | | | | |
| General government | 29,650 | 75,445 | 14,650 | 60,795 |
| Solid waste | 500 | 16,843 | 16,343 | 500 |
| Total expenditures | 32,693,185 | 34,131,326 | 32,052,108 | 2,079,218 |
| Excess (deficiency) of revenues over (under) expenditures | (1,353) | (1,366,213) | 1,450,062 | 2,816,275 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from the sale of capital assets | - | - | 661 | 661 |
| Insurance recoveries | - | - | 77,162 | 77,162 |
| Transfers in | 2,568,488 | 2,568,488 | 1,952,728 | (615,760) |
| Transfers out | (2,884,621) | (2,902,604) | (2,513,203) | 389,401 |
| Total other financing uses, net | (316,133) | (334,116) | (482,652) | (148,536) |
| Net change in fund balances | (317,486) | (1,700,329) | 967,410 | 2,667,739 |
| Fund balances, beginning of year | 8,960,252 | 8,960,252 | 8,960,252 | - |
| Fund balances, end of year | \$ 8,642,766 | \$ 7,259,923 | \$ 9,927,662 | \$ 2,667,739 |

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL SPECIAL REVENUE FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | Budgeted Amounts | | | Variance with Final Budget |
|--|------------------|---------------|--------------|----------------------------------|
| | Original | Final | Actual | |
| REVENUES | | | | |
| Intergovernmental | \$ 347,225 | \$ 11,649,976 | \$ 6,701,231 | \$ (4,948,745) |
| Other revenues | - | 63,829 | 61,528 | (2,301) |
| Total revenues | 347,225 | 11,713,805 | 6,762,759 | (4,951,046) |
| EXPENDITURES | | | | |
| General government | - | 495,992 | 326,032 | 169,960 |
| Judicial services | - | 1,561,611 | 506,453 | 1,055,158 |
| Public safety | 347,225 | 852,157 | 566,294 | 285,863 |
| Roads and bridges | - | 1,225,866 | 595,551 | 630,315 |
| Recreation and culture | - | 767,260 | 178,427 | 588,833 |
| Health and human services | - | 2,788,261 | 2,627,860 | 160,401 |
| Economic development | - | 1,983,267 | 25,000 | 1,958,267 |
| Intergovernmental | - | 2,535,824 | 2,201,709 | 334,115 |
| Capital outlay | | | | |
| Roads and bridges | - | 1,195,571 | 14,311 | 1,181,260 |
| Recreation and culture | - | 28,525 | 28,525 | - |
| Total expenditures | 347,225 | 13,434,334 | 7,070,162 | 6,364,172 |
| Deficiency of revenues under expenditures | - | (1,720,529) | (307,403) | 1,413,126 |
| OTHER FINANCING SOURCES | | | | |
| Transfers in | - | 1,749,642 | 1,277,531 | (472,111) |
| Total other financing sources | - | 1,749,642 | 1,277,531 | (472,111) |
| Net change in fund balance | - | 29,113 | 970,128 | 941,015 |
| FUND BALANCES, beginning of year | 256,640 | 256,640 | 256,640 | - |
| FUND BALANCES, end of year | \$ 256,640 | \$ 285,753 | \$ 1,226,768 | \$ 941,015 |

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30,

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY SOUTH CAROLINA RETIREMENT SYSTEM – PRIMARY GOVERNMENT

| Plan Year Ended June 30, | County's proportion of the net pension liability | County's proportionate share of the net pension liability | County's covered payroll | County's share of the net pension liability as a percentage of its covered payroll | Plan fiduciary net position as a percentage of the total pension liability |
|--------------------------------|--|--|-----------------------------|--|--|
| 2020 | 0.098225% | \$ 25,098,134 | \$ 10,717,988 | 234% | 50.71% |
| 2019 | 0.095718% | 21,856,367 | 10,105,559 | 216% | 53.34% |
| 2018 | 0.092094% | 20,635,403 | 9,569,920 | 216% | 53.34% |
| 2017 | 0.097985% | 22,085,045 | 10,023,134 | 220% | 53.34% |
| 2016 | 0.092799% | 19,526,510 | 8,800,266 | 222% | 52.90% |
| 2015 | 0.092174% | 17,480,579 | 8,710,229 | 201% | 57.00% |
| 2014 | 0.094651% | 16,295,759 | 8,614,344 | 189% | 59.90% |

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY POLICE OFFICERS' RETIREMENT SYSTEM – PRIMARY GOVERNMENT

| Plan Year Ended June 30, | County's proportion of the net pension liability | County's proportionate share of the net pension liability | County's covered payroll | County's share of the net pension liability as a percentage of its covered payroll | Plan fiduciary net position as a percentage of the total pension liability |
|--------------------------------|--|--|--------------------------------|--|--|
| 2020 | 0.308210% | \$ 10,220,913 | \$ 4,655,962 | 220% | 58.79% |
| 2019 | 0.305935% | 8,767,915 | 4,437,460 | 198% | 62.69% |
| 2018 | 0.296210% | 8,393,222 | 4,461,857 | 188% | 60.94% |
| 2017 | 0.316857% | 8,680,534 | 4,547,825 | 191% | 60.94% |
| 2016 | 0.318141% | 7,795,862 | 3,956,317 | 197% | 60.40% |
| 2015 | 0.330253% | 7,197,930 | 3,964,012 | 182% | 64.60% |
| 2014 | 0.314595% | 6,022,663 | 3,641,573 | 165% | 67.50% |

Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30,

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY SOUTH CAROLINA RETIREMENT SYSTEM – FIRE AND RESCUE COMMISSION

| Plan Year Ended June 30, | Commission's proportion of the net pension liability | Commission's proportionate share of the net pension liability | Commission's covered payroll | Commission's share of the net pension liability as a percentage of its covered payroll | Plan fiduciary net position as a percentage of the total pension liability |
|--------------------------|--|---|------------------------------|--|--|
| 2020 | 0.002664% | \$ 680,710 | \$ 290,692 | 234% | 50.71% |
| 2019 | 0.002596% | 592,786 | 274,082 | 216% | 54.40% |
| 2018 | 0.002498% | 559,670 | 231,432 | 242% | 54.10% |
| 2017 | 0.002370% | 533,436 | 128,815 | 414% | 53.34% |
| 2016 | 0.001193% | 525,824 | 297,612 | 177% | 52.90% |
| 2015 | 0.003117% | 591,963 | 243,862 | 243% | 57.00% |
| 2014 | 0.002650% | 456,236 | 189,312 | 241% | 59.90% |

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY POLICE OFFICERS' RETIREMENT SYSTEM – FIRE AND RESCUE COMMISSION

| Plan Year Ended June 30, | Commission's proportion of the net pension liability | Commission's proportionate share of the net pension liability | Commission's covered payroll | Commission's share of the net pension liability as a percentage of its covered payroll | Plan fiduciary net position as a percentage of the total pension liability |
|--------------------------|--|---|------------------------------|--|--|
| 2020 | 0.401133% | \$ 13,302,440 | \$ 6,059,715 | 220% | 58.79% |
| 2019 | 0.398173% | 11,411,400 | 5,775,336 | 198% | 62.69% |
| 2018 | 0.385515% | 10,923,745 | 4,973,240 | 220% | 61.73% |
| 2017 | 0.353173% | 9,675,427 | 4,473,174 | 216% | 60.94% |
| 2016 | 0.312920% | 8,210,866 | 4,078,445 | 201% | 60.40% |
| 2015 | 0.340447% | 7,420,061 | 4,404,638 | 168% | 64.60% |
| 2014 | 0.349565% | 6,692,122 | 4,343,910 | 154% | 67.50% |

Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30,

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY SOUTH CAROLINA RETIREMENT SYSTEM – MEMORIAL LIBRARY

| Plan Year Ended June 30, | Library's proportion of the net pension liability | Library's proportionate share of the net pension liability | Library's covered payroll | Library's share of the net pension liability as a percentage of its covered payroll | Plan fiduciary net position as a percentage of the total pension liability |
|--------------------------------|---|---|------------------------------|---|--|
| 2020 | 0.003583% | \$ 915,621 | \$ 391,009 | 234% | 50.71% |
| 2019 | 0.003492% | 797,355 | 368,667 | 216% | 54.10% |
| 2018 | 0.003360% | 752,812 | 349,178 | 216% | 54.10% |
| 2017 | 0.003575% | 804,833 | 335,043 | 240% | 53.34% |
| 2016 | 0.003102% | 686,800 | 320,215 | 214% | 52.90% |
| 2015 | 0.003354% | 635,958 | 322,367 | 197% | 57.00% |
| 2014 | 0.003503% | 603,114 | 350,642 | 172% | 59.90% |

Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30,

SCHEDULE OF CONTRIBUTIONS SOUTH CAROLINA RETIREMENT SYSTEM – PRIMARY GOVERNMENT

| Fiscal Year Ended June 30, | Statutorily required contribution | Contributions relative to statutorily required contribution | Contribution deficiency (excess) | County's covered payroll | Contributions as a percentage of covered payroll |
|---|--|--|---|-------------------------------------|---|
| 2021 | \$ 1,678,099 | \$ 1,678,099 | \$ - | \$ 10,784,699 | 15.56% |
| 2020 | 1,667,718 | 1,667,718 | | 10,717,988 | 15.56% |
| 2019 | 1,511,797 | 1,511,797 | - | 10,105,559 | 14.96% |
| 2018 | 1,297,681 | 1,297,681 | - | 9,569,920 | 13.56% |
| 2017 | 1,158,674 | 1,158,674 | - | 10,023,134 | 11.56% |
| 2016 | 973,309 | 973,309 | - | 8,800,266 | 11.06% |
| 2015 | 949,415 | 949,415 | - | 8,710,229 | 10.90% |

SCHEDULE OF CONTRIBUTIONS POLICE OFFICERS' RETIREMENT SYSTEM – PRIMARY GOVERNMENT

| Fiscal Year Ended June 30, | Statutorily required contribution | Contributions relative to statutorily required contribution | Contribution deficiency (excess) | County's covered payroll | Contributions as a percentage of covered payroll |
|---|--|--|---|-------------------------------------|---|
| 2021 | \$ 846,418 | \$ 846,418 | \$ - | \$ 4,640,451 | 18.24% |
| 2020 | 849,246 | 849,246 | - | 4,655,962 | 18.24% |
| 2019 | 765,018 | 765,018 | - | 4,437,460 | 17.24% |
| 2018 | 724,610 | 724,610 | - | 4,461,857 | 16.24% |
| 2017 | 647,610 | 647,610 | - | 4,547,825 | 14.24% |
| 2016 | 543,598 | 543,598 | - | 3,956,317 | 13.74% |
| 2015 | 531,574 | 531,574 | - | 3,964,012 | 13.41% |

Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30,

SCHEDULE OF CONTRIBUTIONS SOUTH CAROLINA RETIREMENT SYSTEM – FIRE AND RESCUE COMMISSION

| Fiscal Year Ended June 30, | Statutorily required contribution | Contributions relative to statutorily required contribution | Contribution deficiency (excess) | Commission's covered payroll | Contributions as a percentage of covered payroll |
|---|--|--|---|---|---|
| 2021 | \$ 45,513 | \$ 45,513 | \$ - | \$ 292,501 | 15.56% |
| 2020 | 45,232 | 45,232 | - | 290,692 | 15.56% |
| 2019 | 41,003 | 41,003 | - | 274,082 | 14.96% |
| 2018 | 31,380 | 31,380 | - | 231,432 | 13.56% |
| 2017 | 14,891 | 14,891 | - | 128,815 | 11.56% |
| 2016 | 32,916 | 32,916 | - | 297,612 | 11.06% |
| 2015 | 26,581 | 26,581 | - | 243,862 | 10.90% |

SCHEDULE OF CONTRIBUTIONS POLICE OFFICERS' RETIREMENT SYSTEM – FIRE AND RESCUE COMMISSION

| Fiscal Year Ended June 30, | Statutorily required contribution | Contributions relative to statutorily required contribution | Contribution deficiency (excess) | Commission's covered payroll | Contributions as a percentage of covered payroll |
|---|--|--|---|---|---|
| 2021 | \$ 1,101,610 | \$ 1,101,610 | \$ - | \$ 6,039,529 | 18.24% |
| 2020 | 1,105,291 | 1,105,291 | - | 6,059,715 | 18.24% |
| 2019 | 995,668 | 995,668 | - | 5,775,336 | 17.24% |
| 2018 | 807,740 | 807,740 | - | 4,973,240 | 16.24% |
| 2017 | 636,980 | 636,980 | - | 4,473,174 | 14.24% |
| 2016 | 560,378 | 560,378 | - | 4,078,445 | 13.74% |
| 2015 | 590,662 | 590,662 | - | 4,404,638 | 13.41% |

Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30,

SCHEDULE OF CONTRIBUTIONS SOUTH CAROLINA RETIREMENT SYSTEM – MEMORIAL LIBRARY

| Fiscal Year Ended June 30, | Statutorily required contribution | Contributions relative to statutorily required contribution | Contribution deficiency (excess) | Library's covered payroll | Contributions as a percentage of covered payroll |
|---|--|--|---|--------------------------------------|---|
| 2021 | \$ 61,219 | \$ 61,219 | \$ - | \$ 393,443 | 15.56% |
| 2020 | 60,841 | 60,841 | - | 391,009 | 15.56% |
| 2019 | 55,153 | 55,153 | - | 368,667 | 14.96% |
| 2018 | 47,349 | 47,349 | - | 349,178 | 13.56% |
| 2017 | 38,731 | 38,731 | - | 335,043 | 11.56% |
| 2016 | 35,416 | 35,416 | - | 320,215 | 11.06% |
| 2015 | 35,138 | 35,138 | - | 322,367 | 10.90% |

Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION RETIREMENT PLAN ASSUMPTIONS FOR THE FISCAL YEAR ENDED JUNE 30,

The following represents the assumptions used for the County, Fire and Rescue Commission and the Memorial Library.

| System | SCRS | PORS |
|------------------------|--|--|
| Calculation date | July 1, 2019 | July 1, 2019 |
| Actuarial cost method | Entry Age Normal | Entry Age Normal |
| Asset valuation method | 5-year smoothed | 5-year smoothed |
| Amortization method | Level % of pay | Level % of pay |
| Amortization period | 39 years maximum, closed | 29 years maximum, closed |
| Investment return | 7.25% | 7.25% |
| Inflation | 2.25% | 2.25% |
| Salary increases | 3.00% to 12.5% (varies by service) | 3.50% to 9.5% (varies by service) |
| Mortality | The 2016 Public Retirees of South Carolina Mortality Tables for males and females, both projected at Scale AA from the year 2016. Males rates multiplied by 100% for general employees and 125% for public safety and firefighters. Female rates multiplied by 111% for general employees and 111% for public safety and firefighters. | The 2016 Public Retirees of South Carolina Mortality Tables for males and females, both projected at Scale AA from the year 2016. Males rates multiplied by 100% for general employees and 125% for public safety and firefighters. Female rates multiplied by 111% for general employees and 111% for public safety and firefighters. |

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION OPEB RETIREMENT PLAN – SCHEDULE OF CHANGES IN THE PRIMARY GOVERNMENT'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

| | 2021 | 2020 | 2019 | 2018 |
|---|----------------------|----------------------|----------------------|----------------------|
| Total OPEB liability | | | | |
| Service cost | \$ 273,464 | \$ 220,060 | \$ 224,176 | \$ 260,008 |
| Interest on total OPEB liability | 114,920 | 119,093 | 107,751 | 89,458 |
| Difference between expected actual experience | 1,434 | (191,897) | (3,268) | - |
| Effect of assumption changes | 454,267 | 241,956 | (32,142) | (338,163) |
| Benefit payments | (37,269) | (31,099) | (31,555) | (29,153) |
| Net change in total OPEB liability | 806,816 | 358,113 | 264,962 | (17,850) |
| Total OPEB liability - beginning | 3,553,380 | 3,195,267 | 2,930,305 | 2,948,155 |
| Total OPEB liability - ending | \$ 4,360,196 | \$ 3,553,380 | \$ 3,195,267 | \$ 2,930,305 |
| Covered-employee payroll | \$ 13,976,210 | \$ 13,976,210 | \$ 13,463,416 | \$ 12,826,065 |
| Total OPEB liability as a percentage of covered-employee payroll | 31.2% | 25.4% | 23.7% | 22.8% |

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

The discount rate changed from 3.13% as of June 30, 2019 to 2.45% as of June 30, 2020.

The County is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION OPEB RETIREMENT PLAN – SCHEDULE OF CHANGES IN THE FIRE AND RESCUE COMMISSION'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

| | 2021 | 2020 | 2019 | 2018 |
|---|-------------------|-------------------|-------------------|-------------------|
| Total OPEB liability | | | | |
| Service cost | \$ 49,915 | \$ 40,169 | \$ 40,920 | \$ 47,459 |
| Interest on total OPEB liability | 20,976 | 21,738 | 19,668 | 16,329 |
| Difference between expected actual experience | 262 | (35,027) | (597) | - |
| Effect of assumption changes | 82,916 | 44,164 | (5,867) | (61,725) |
| Benefit payments | (6,803) | (5,676) | (5,760) | (5,321) |
| Net change in total OPEB liability | 147,266 | 65,368 | 48,364 | (3,258) |
| Total OPEB liability - beginning | 648,603 | 583,235 | 534,871 | 538,129 |
| Total OPEB liability - ending | \$ 795,869 | \$ 648,603 | \$ 583,235 | \$ 534,871 |
| Covered-employee payroll | \$ 2,551,068 | \$ 2,551,068 | \$ 2,457,468 | \$ 2,341,133 |
| Total OPEB liability as a percentage of covered-employee payroll | 31.2% | 25.4% | 23.7% | 22.8% |

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

The discount rate changed from 3.13% as of June 30, 2019 to 2.45% as of June 30, 2020.

The County is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

COLLETON COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION OPEB RETIREMENT PLAN – SCHEDULE OF CHANGES IN THE MEMORIAL LIBRARY'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

| | 2021 | 2020 | 2019 | 2018 |
|---|-------------------|-------------------|-------------------|-------------------|
| Total OPEB liability | | | | |
| Service cost | \$ 33,158 | \$ 26,693 | \$ 27,192 | \$ 31,526 |
| Interest on total OPEB liability | 13,934 | 1,441 | 13,065 | 10,847 |
| Difference between expected actual experience | 174 | (23,268) | (396) | - |
| Effect of assumption changes | 55,115 | 29,338 | (3,897) | (41,003) |
| Benefit payments | (4,519) | (3,771) | (3,826) | (3,535) |
| Net change in total OPEB liability | 97,862 | 30,433 | 32,138 | (2,165) |
| Total OPEB liability - beginning | 430,987 | 387,555 | 355,417 | 357,582 |
| Total OPEB liability - ending | \$ 528,849 | \$ 430,987 | \$ 387,555 | \$ 355,417 |
| Covered-employee payroll | \$ 1,694,638 | \$ 1,694,638 | \$ 1,632,461 | \$ 1,555,181 |
| Total OPEB liability as a percentage of covered-employee payroll | 31.2% | 25.4% | 23.7% | 22.9% |

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

The discount rate changed from 3.13% as of June 30, 2019 to 2.45% as of June 30, 2020.

The County is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Sheriff's Discretionary Funds – to account for the program and activities associated with the Sheriff department.

Clerk of Court IV Incentives Fund – to account for federal child enforcement incentives received and disbursed by the Clerk of Court.

Clerk of Court IV Unit Costs Fund – to account for federal child enforcement funds received and disbursed by the Clerk of Court.

Victim Witness Services Fund – to account for victims' funds for the County.

14th Circuit Court Solicitor Fund – to account for the activities of the 14th Circuit Court Solicitor mandated by State Statute to prosecute within the 14th Circuit Court System that Colleton County acts as Host County.

Animal Care Control Donations Fund – to account for projects and activities for animal control.

Emergency Telephone Fund – to account for operations of the County's Emergency 911 communication system.

County Hospitality Tax Fund – to account for local hospitality tax collected by the County.

County Accommodations Tax Fund – to account for local accommodations tax collected by the County.

State Accommodations Tax Fund – to account for state accommodations tax collected by the State.

NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS

Debt Service Fund – used for the accumulation of resources for payment of principal and interest on County general obligation debt.

GO Bond Fund – used to set aside funds to pay interest and principal related to the General Obligation Bond Series 2015.

Debt Service Non-GOB – used to set aside funds to pay interest and principal on County non-general obligation debt.

COLLETON COUNTY, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

| | Special Revenue Funds | | | |
|---|-------------------------------------|---------------------------------|---------------------------------|-------------------------------|
| | Sheriff's Discretionary Funds | Clerk of Court IV Incentives | Clerk of Court IV Unit Costs | Victim Witness Services |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 129,165 | \$ 92,884 | \$ - | \$ 132,246 |
| Receivables, net | 1,023 | - | 26,564 | 4,626 |
| Prepaid expenditures | - | - | - | - |
| Total assets | <u>\$ 130,188</u> | <u>\$ 92,884</u> | <u>\$ 26,564</u> | <u>\$ 136,872</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 54 | \$ - | \$ 8,208 | \$ 575 |
| Accrued payroll and benefits | 485 | - | 3,994 | 914 |
| Total liabilities | <u>539</u> | <u>-</u> | <u>12,202</u> | <u>1,489</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue - property taxes | - | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | |
| Non-spendable: | | | | |
| Prepaid expenditures | - | - | - | - |
| Restricted for: | | | | |
| Public safety | 129,649 | - | - | 135,383 |
| Debt service | - | - | - | - |
| Recreation and culture | - | - | - | - |
| Judicial services | - | 92,884 | 14,362 | - |
| Assigned: | | | | |
| Judicial services | - | - | - | - |
| Public safety | - | - | - | - |
| Committed | | | | |
| Recreation and culture | - | - | - | - |
| Total fund balances | <u>129,649</u> | <u>92,884</u> | <u>14,362</u> | <u>135,383</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 130,188</u> | <u>\$ 92,884</u> | <u>\$ 26,564</u> | <u>\$ 136,872</u> |

(Continued)

| Special Revenue Funds | | | | | |
|------------------------------------|-------------------------------------|------------------------|------------------------------|---------------------------------|--------------------------------|
| 14th Circuit Court Solicitor | Animal Care Control Donations | Emergency Telephone | County Hospitality Tax | County Accommodations Tax | State Accommodations Tax |
| \$ 1,316,292 | \$ 16,983 | \$ 423,216 | \$ 29,306 | \$ 463 | \$ 41,779 |
| 2,790 | - | 37,812 | 58,031 | 103,244 | 19,365 |
| 22,532 | - | - | - | - | - |
| <u>\$ 1,341,614</u> | <u>\$ 16,983</u> | <u>\$ 461,028</u> | <u>\$ 87,337</u> | <u>\$ 103,707</u> | <u>\$ 61,144</u> |
| | | | | | |
| \$ 30,047 | \$ 3,312 | \$ 4,983 | \$ 600 | \$ 6,920 | \$ - |
| 117,414 | - | 2,487 | - | 10,031 | - |
| <u>147,461</u> | <u>3,312</u> | <u>7,470</u> | <u>600</u> | <u>16,951</u> | <u>-</u> |
| | | | | | |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| | | | | | |
| 22,532 | - | - | - | - | - |
| - | - | 453,558 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | 61,144 |
| - | - | - | - | - | - |
| 1,171,621 | - | - | - | - | - |
| - | 13,671 | - | - | - | - |
| - | - | - | 86,737 | 86,756 | - |
| <u>1,194,153</u> | <u>13,671</u> | <u>453,558</u> | <u>86,737</u> | <u>86,756</u> | <u>61,144</u> |
| <u>\$ 1,341,614</u> | <u>\$ 16,983</u> | <u>\$ 461,028</u> | <u>\$ 87,337</u> | <u>\$ 103,707</u> | <u>\$ 61,144</u> |

COLLETON COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2021

| | Debt Service Funds | | | |
|--|--------------------|-------------------|-------------------------|---------------------|
| | Debt Service | GO Bond | Debt Service Non-GOB | Totals |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 455,587 | \$ 173,674 | \$ 124,296 | \$ 2,935,891 |
| Receivables, net | 99,454 | - | - | 352,909 |
| Prepaid expenditures | - | - | - | 22,532 |
| Total assets | <u>\$ 555,041</u> | <u>\$ 173,674</u> | <u>\$ 124,296</u> | <u>\$ 3,311,332</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ 54,699 |
| Accrued payroll and benefits | - | - | - | 135,325 |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>190,024</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue - property taxes | 83,281 | - | - | 83,281 |
| Total deferred inflows of resources | <u>83,281</u> | <u>-</u> | <u>-</u> | <u>83,281</u> |
| FUND BALANCES | | | | |
| Non-spendable: | | | | |
| Prepaid expenditures | - | - | - | 22,532 |
| Restricted for: | | | | |
| Public safety | - | - | - | 718,590 |
| Debt service | 471,760 | 173,674 | 124,296 | 769,730 |
| Recreation and culture | - | - | - | 61,144 |
| Judicial services | - | - | - | 107,246 |
| Assigned: | | | | |
| Judicial services | - | - | - | 1,171,621 |
| Public safety | - | - | - | 13,671 |
| Committed | | | | |
| Recreation and culture | - | - | - | 173,493 |
| Total fund balances | <u>471,760</u> | <u>173,674</u> | <u>124,296</u> | <u>3,038,027</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 555,041</u> | <u>\$ 173,674</u> | <u>\$ 124,296</u> | <u>\$ 3,311,332</u> |

COLLETON COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | Special Revenue Funds | | | |
|--|-------------------------------------|---------------------------------|---------------------------------|-------------------------------|
| | Sheriff's Discretionary Funds | Clerk of Court IV Incentives | Clerk of Court IV Unit Costs | Victim Witness Services |
| Revenues | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | 38,645 | 173,317 | 59,954 |
| Fines and fees | - | - | - | - |
| Other revenues | 5,588 | 428 | 3 | 755 |
| Total revenues | 5,588 | 39,073 | 173,320 | 60,709 |
| Expenditures | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Judicial services | - | - | 152,097 | - |
| Public safety | 52,823 | - | - | 84,789 |
| Roads and bridges | - | - | - | - |
| Recreation and culture | - | - | - | - |
| Economic development | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 52,823 | - | 152,097 | 84,789 |
| Excess (deficiency) of revenues over (under) expenditures | (47,235) | 39,073 | 21,223 | (24,080) |
| Other financing sources (uses) | | | | |
| Proceeds from sale of capital assets | 9,031 | - | - | - |
| Insurance recoveries | - | - | - | - |
| Transfers in | 11,900 | - | 26,500 | - |
| Transfers out | - | (26,500) | (33,691) | - |
| Total other financing sources (uses) | 20,931 | (26,500) | (7,191) | - |
| Net change in fund balances | (26,304) | 12,573 | 14,032 | (24,080) |
| Fund balances, beginning of year, as restated | 155,953 | 80,311 | 330 | 159,463 |
| Fund balances, end of year | \$ 129,649 | \$ 92,884 | \$ 14,362 | \$ 135,383 |

(Continued)

| Special Revenue Funds | | | | | |
|------------------------------------|-------------------------------------|------------------------|------------------------------|---------------------------------|--------------------------------|
| 14th Circuit Court Solicitor | Animal Care Control Donations | Emergency Telephone | County Hospitality Tax | County Accommodations Tax | State Accommodations Tax |
| \$ - | \$ - | \$ - | \$ 624,658 | \$ 607,041 | \$ 40,002 |
| 4,011,100 | - | 109,265 | - | - | - |
| 238,290 | 15,108 | 275,076 | - | - | - |
| 9,645 | 10,239 | 1,905 | 790 | 499 | 133 |
| 4,259,035 | 25,347 | 386,246 | 625,448 | 607,540 | 40,135 |
| - | - | - | 2,125 | - | - |
| 4,356,354 | - | - | - | - | - |
| - | 50,796 | 283,535 | - | - | - |
| - | - | - | - | 5,791 | - |
| - | - | - | 72,045 | 367,145 | - |
| - | - | - | 124,152 | - | - |
| - | - | - | 6,000 | 25,702 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 4,356,354 | 50,796 | 283,535 | 204,322 | 398,638 | - |
| (97,319) | (25,449) | 102,711 | 421,126 | 208,902 | 40,135 |
| - | - | - | - | - | - |
| 4,948 | - | - | - | - | - |
| 240,988 | - | - | - | - | - |
| (121,657) | - | - | (408,486) | (150,000) | - |
| 124,279 | - | - | (408,486) | (150,000) | - |
| 26,960 | (25,449) | 102,711 | 12,640 | 58,902 | 40,135 |
| 1,167,193 | 39,120 | 350,847 | 74,097 | 27,854 | 21,009 |
| \$ 1,194,153 | \$ 13,671 | \$ 453,558 | \$ 86,737 | \$ 86,756 | \$ 61,144 |

COLLETON COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | Debt Service Funds | | | |
|--|--------------------|------------|-------------------------|--------------|
| | Debt Service | GO Bond | Debt Service Non-GOB | Totals |
| Revenues | | | | |
| Taxes | \$ 2,036,127 | \$ - | \$ - | \$ 3,307,828 |
| Intergovernmental | - | - | - | 4,392,281 |
| Fines and fees | 1,384 | - | - | 529,858 |
| Other revenues | 4,154 | 892 | 6 | 35,037 |
| Total revenues | 2,041,665 | 892 | 6 | 8,265,004 |
| Expenditures | | | | |
| Current: | | | | |
| General government | - | - | - | 2,125 |
| Judicial services | - | - | - | 4,508,451 |
| Public safety | - | - | - | 471,943 |
| Roads and bridges | - | - | - | 5,791 |
| Recreation and culture | - | - | - | 439,190 |
| Economic development | - | - | - | 124,152 |
| Intergovernmental | - | - | - | 31,702 |
| Debt service: | | | | |
| Principal | 485,000 | - | 923,333 | 1,408,333 |
| Interest and fiscal charges | 213,028 | - | 269,634 | 482,662 |
| Total expenditures | 698,028 | - | 1,192,967 | 7,474,349 |
| Excess (deficiency) of revenues over (under) expenditures | 1,343,637 | 892 | (1,192,961) | 790,655 |
| Other financing sources (uses) | | | | |
| Proceeds from sale of capital assets | - | - | - | 9,031 |
| Insurance recoveries | - | - | - | 4,948 |
| Transfers in | - | - | 1,291,450 | 1,570,838 |
| Transfers out | (1,200,000) | - | - | (1,940,334) |
| Total other financing sources (uses) | (1,200,000) | - | 1,291,450 | (355,517) |
| Net change in fund balances | 143,637 | 892 | 98,489 | 435,138 |
| Fund balances, beginning of year, as restated | 328,123 | 172,782 | 25,807 | 2,602,889 |
| Fund balances, end of year | \$ 471,760 | \$ 173,674 | \$ 124,296 | \$ 3,038,027 |

COLLETON COUNTY, SOUTH CAROLINA

**CLERK OF COURT IV INCENTIVES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

| | Original Budgeted Amounts | Final Budgeted Amounts | Actual | Variance |
|---|--|---------------------------------------|------------------|------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 26,000 | \$ 26,000 | \$ 38,645 | \$ 12,645 |
| Other revenues | 500 | 500 | 428 | (72) |
| Total revenues | <u>26,500</u> | <u>26,500</u> | <u>39,073</u> | <u>12,573</u> |
| OTHER FINANCING USES | | | | |
| Transfers out | (26,500) | (26,500) | (26,500) | - |
| Total other financing uses | <u>(26,500)</u> | <u>(26,500)</u> | <u>(26,500)</u> | <u>-</u> |
| Net change in fund balance | - | - | 12,573 | 12,573 |
| FUND BALANCES, beginning of year | <u>80,311</u> | <u>80,311</u> | <u>80,311</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ 80,311</u> | <u>\$ 80,311</u> | <u>\$ 92,884</u> | <u>\$ 12,573</u> |

COLLETON COUNTY, SOUTH CAROLINA

CLERK OF COURT IV UNIT COSTS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | Original Budgeted Amounts | Final Budgeted Amounts | Actual | Variance |
|--|---------------------------------|------------------------------|------------------|-----------------|
| REVENUES | | | | |
| Intergovernmental | \$ 130,000 | \$ 140,513 | \$ 173,317 | \$ 32,804 |
| Other revenues | 500 | - | 3 | 3 |
| Total revenues | 130,500 | 140,513 | 173,320 | 32,807 |
| EXPENDITURES | | | | |
| Judicial services | 148,756 | 159,269 | 152,097 | 7,172 |
| Total expenditures | 148,756 | 159,269 | 152,097 | 7,172 |
| Excess (deficiency) of revenues over (under) expenditures | (18,256) | (18,756) | 21,223 | 39,979 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 26,500 | 26,500 | 26,500 | - |
| Transfers out | - | - | (33,691) | (33,691) |
| Total other financing sources (uses) | 26,500 | 26,500 | (7,191) | (33,691) |
| Net change in fund balance | 8,244 | 7,744 | 14,032 | 6,288 |
| FUND BALANCES, beginning of year | 330 | 330 | 330 | - |
| FUND BALANCES, end of year | <u>\$ 8,574</u> | <u>\$ 8,074</u> | <u>\$ 14,362</u> | <u>\$ 6,288</u> |

COLLETON COUNTY, SOUTH CAROLINA

VICTIM WITNESS SERVICES SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | Original Budgeted Amounts | Final Budgeted Amounts | Actual | Variance |
|---|---------------------------------|------------------------------|------------|-------------|
| REVENUES | | | | |
| Intergovernmental | \$ 89,584 | \$ 89,584 | \$ 59,954 | \$ (29,630) |
| Other revenues | 2,000 | 2,000 | 755 | (1,245) |
| Total revenues | 91,584 | 91,584 | 60,709 | (30,875) |
| EXPENDITURES | | | | |
| Public safety | 91,584 | 91,584 | 84,789 | 6,795 |
| Total expenditures | 91,584 | 91,584 | 84,789 | 6,795 |
| Net change in fund balance | - | - | (24,080) | (24,080) |
| FUND BALANCES, beginning of year | 159,463 | 159,463 | 159,463 | - |
| FUND BALANCES, end of year | \$ 159,463 | \$ 159,463 | \$ 135,383 | \$ (24,080) |

COLLETON COUNTY, SOUTH CAROLINA

**ANIMAL CARE CONTROL DONATIONS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

| | Original Budgeted Amounts | Final Budgeted Amounts | Actual | Variance |
|---|--|---------------------------------------|------------------|------------------|
| REVENUES | | | | |
| Fines and fees | \$ 23,000 | \$ 23,000 | \$ 15,108 | \$ (7,892) |
| Other revenues | 1,000 | 3,315 | 10,239 | 6,924 |
| Total revenues | <u>24,000</u> | <u>26,315</u> | <u>25,347</u> | <u>(968)</u> |
| EXPENDITURES | | | | |
| Public safety | 47,200 | 83,697 | 50,796 | 32,901 |
| Capital outlay | 56,600 | 32,418 | - | 32,418 |
| Total expenditures | <u>103,800</u> | <u>116,115</u> | <u>50,796</u> | <u>65,319</u> |
| Net change in fund balance | (79,800) | (89,800) | (25,449) | 64,351 |
| FUND BALANCES, beginning of year | <u>39,120</u> | <u>39,120</u> | <u>39,120</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ (40,680)</u> | <u>\$ (50,680)</u> | <u>\$ 13,671</u> | <u>\$ 64,351</u> |

COLLETON COUNTY, SOUTH CAROLINA

**EMERGENCY TELEPHONE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

| | Original Budgeted Amounts | Final Budgeted Amounts | Actual | Variance |
|---|--|---------------------------------------|-------------------|-------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 85,000 | \$ 85,000 | \$ 109,265 | \$ 24,265 |
| Fines and fees | 250,000 | 250,000 | 275,076 | 25,076 |
| Other revenues | 58,834 | 135,074 | 1,905 | (133,169) |
| Total revenues | <u>393,834</u> | <u>470,074</u> | <u>386,246</u> | <u>(83,828)</u> |
| EXPENDITURES | | | | |
| Public safety | <u>393,834</u> | <u>470,074</u> | <u>283,535</u> | <u>186,539</u> |
| Total expenditures | <u>393,834</u> | <u>470,074</u> | <u>283,535</u> | <u>186,539</u> |
| Net change in fund balance | - | - | 102,711 | 102,711 |
| FUND BALANCES, beginning of year | <u>350,847</u> | <u>350,847</u> | <u>350,847</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ 350,847</u> | <u>\$ 350,847</u> | <u>\$ 453,558</u> | <u>\$ 102,711</u> |

COLLETON COUNTY, SOUTH CAROLINA

COUNTY HOSPITALITY TAX SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | Original Budgeted Amounts | Final Budgeted Amounts | Actual | Variance |
|---|---------------------------------|------------------------------|------------------|-------------------|
| REVENUES | | | | |
| Taxes | \$ 550,000 | \$ 550,000 | \$ 624,658 | \$ 74,658 |
| Other revenues | 1,200 | 1,200 | 790 | (410) |
| Total revenues | 551,200 | 551,200 | 625,448 | 74,248 |
| EXPENDITURES | | | | |
| General government | 8,000 | 8,000 | 2,125 | 5,875 |
| Recreation and culture | 72,045 | 72,045 | 72,045 | - |
| Economic development | 124,152 | 124,152 | 124,152 | - |
| Intergovernmental | 6,000 | 6,000 | 6,000 | - |
| Total expenditures | 210,197 | 210,197 | 204,322 | 5,875 |
| Excess of revenues over expenditures | 341,003 | 341,003 | 421,126 | 80,123 |
| OTHER FINANCING USES | | | | |
| Transfers out | (391,303) | (439,361) | (408,486) | 30,875 |
| Total other financing uses | (391,303) | (439,361) | (408,486) | 30,875 |
| Net change in fund balance | (50,300) | (98,358) | 12,640 | 110,998 |
| FUND BALANCES, beginning of year | 74,097 | 74,097 | 74,097 | - |
| FUND BALANCES, end of year | <u>\$ 23,797</u> | <u>\$ (24,261)</u> | <u>\$ 86,737</u> | <u>\$ 110,998</u> |

COLLETON COUNTY, SOUTH CAROLINA

COUNTY ACCOMMODATIONS TAX SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | Original Budgeted Amounts | Final Budgeted Amounts | Actual | Variance |
|--|---------------------------------|------------------------------|------------------|------------------|
| REVENUES | | | | |
| Taxes | \$ 473,250 | \$ 473,250 | \$ 607,041 | \$ 133,791 |
| Other revenues | 18,875 | 142,970 | 499 | (142,471) |
| Total revenues | 492,125 | 616,220 | 607,540 | (8,680) |
| EXPENDITURES | | | | |
| Roads and bridges | 7,614 | 7,614 | 5,791 | 1,823 |
| Recreation and culture | 489,684 | 509,829 | 367,145 | 142,684 |
| Intergovernmental | 25,702 | 25,702 | 25,702 | - |
| Total expenditures | 523,000 | 543,145 | 398,638 | 144,507 |
| Excess (deficiency) of revenues over (under) expenditures | (30,875) | 73,075 | 208,902 | 135,827 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | 35,291 | - | (35,291) |
| Transfers out | - | (103,950) | (150,000) | (46,050) |
| Total other financing uses, net | - | (68,659) | (150,000) | (81,341) |
| Net change in fund balance | (30,875) | 4,416 | 58,902 | 54,486 |
| FUND BALANCES, beginning of year | 27,854 | 27,854 | 27,854 | - |
| FUND BALANCES, end of year | <u>\$ (3,021)</u> | <u>\$ 32,270</u> | <u>\$ 86,756</u> | <u>\$ 54,486</u> |

COLLETON COUNTY, SOUTH CAROLINA

DEBT SERVICE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | Original Budgeted Amounts | Final Budgeted Amounts | Actual | Variance |
|---|---------------------------------|------------------------------|--------------------|-------------------|
| REVENUES | | | | |
| Taxes | \$ 1,927,322 | \$ 1,927,322 | \$ 2,036,127 | \$ 108,805 |
| Fines and fees | 9,100 | 9,100 | 1,384 | (7,716) |
| Other revenues | 13,000 | 13,000 | 4,154 | (8,846) |
| Total revenues | <u>1,949,422</u> | <u>1,949,422</u> | <u>2,041,665</u> | <u>92,243</u> |
| EXPENDITURES | | | | |
| Debt service: | | | | |
| Principal | 633,726 | 633,726 | 485,000 | 148,726 |
| Interest and fiscal charges | 213,028 | 213,028 | 213,028 | - |
| Total expenditures | <u>846,754</u> | <u>846,754</u> | <u>698,028</u> | <u>148,726</u> |
| Excess of revenues over expenditures | <u>1,102,668</u> | <u>1,102,668</u> | <u>1,343,637</u> | <u>240,969</u> |
| OTHER FINANCING USES | | | | |
| Transfers out | (1,102,668) | (1,102,668) | (1,200,000) | (97,332) |
| Total other financing uses | <u>(1,102,668)</u> | <u>(1,102,668)</u> | <u>(1,200,000)</u> | <u>(97,332)</u> |
| Net change in fund balance | - | - | 143,637 | 143,637 |
| FUND BALANCES, beginning of year | <u>328,123</u> | <u>328,123</u> | <u>328,123</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ 328,123</u> | <u>\$ 328,123</u> | <u>\$ 471,760</u> | <u>\$ 143,637</u> |

COLLETON COUNTY, SOUTH CAROLINA

**CAPITAL SALES TAX DEBT SERVICE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

| | Original Budgeted Amounts | Final Budgeted Amounts | Actual | Variance |
|---|--|---------------------------------------|---------------------|---------------------|
| REVENUES | | | | |
| Taxes | \$ 4,150,000 | \$ 4,150,000 | \$ 5,408,026 | \$ 1,258,026 |
| Other revenues | 25,000 | 25,000 | 15,546 | (9,454) |
| Total revenues | <u>4,175,000</u> | <u>4,175,000</u> | <u>5,423,572</u> | <u>1,248,572</u> |
| EXPENDITURES | | | | |
| Debt service: | | | | |
| Principal | 3,877,950 | 3,877,950 | 3,790,000 | 87,950 |
| Interest and fiscal charges | 297,050 | 297,050 | 297,050 | - |
| Total expenditures | <u>4,175,000</u> | <u>4,175,000</u> | <u>4,087,050</u> | <u>87,950</u> |
| Net change in fund balance | - | - | 1,336,522 | 1,336,522 |
| FUND BALANCES, beginning of year | <u>5,532,811</u> | <u>5,532,811</u> | <u>5,532,811</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ 5,532,811</u> | <u>\$ 5,532,811</u> | <u>\$ 6,869,333</u> | <u>\$ 1,336,522</u> |

COLLETON COUNTY, SOUTH CAROLINA

**DEBT SERVICE NON-GOB
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

| | Original Budgeted Amounts | Final Budgeted Amounts | Actual | Variance |
|--|--|---------------------------------------|-------------------|------------------|
| REVENUES | | | | |
| Other revenues | \$ - | \$ - | \$ 6 | \$ 6 |
| Total revenues | - | - | 6 | 6 |
| EXPENDITURES | | | | |
| Debt service: | | | | |
| Principal | 923,333 | 923,333 | 923,333 | - |
| Interest and fiscal charges | 270,785 | 270,785 | 269,634 | 1,151 |
| Total expenditures | 1,194,118 | 1,194,118 | 1,192,967 | 1,151 |
| Deficiency of revenues under expenditures | (1,194,118) | (1,194,118) | (1,192,961) | 1,157 |
| OTHER FINANCING SOURCES | | | | |
| Transfers in | 1,194,118 | 1,194,118 | 1,291,450 | 97,332 |
| Total other financing sources | 1,194,118 | 1,194,118 | 1,291,450 | 97,332 |
| Net change in fund balance | - | - | 98,489 | 98,489 |
| FUND BALANCES, beginning of year | 25,807 | 25,807 | 25,807 | - |
| FUND BALANCES, end of year | <u>\$ 25,807</u> | <u>\$ 25,807</u> | <u>\$ 124,296</u> | <u>\$ 98,489</u> |

COLLETON COUNTY, SOUTH CAROLINA

CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | Original Budgeted Amounts | Final Budgeted Amounts | Actual | Variance |
|--|---------------------------------|------------------------------|---------------|----------------|
| REVENUES | | | | |
| Intergovernmental | \$ 82,984 | \$ 4,460,440 | \$ 2,657,358 | \$ (1,803,082) |
| Other revenues | 136,625 | 1,682,321 | 532,482 | (1,149,839) |
| Total revenues | 219,609 | 6,142,761 | 3,189,840 | (2,952,921) |
| EXPENDITURES | | | | |
| General government | 450,000 | 722,867 | 637,334 | 85,533 |
| Public safety | - | 424,038 | 411,670 | 12,368 |
| Solid waste | - | 2,891,252 | 1,093,084 | 1,798,168 |
| Recreation and culture | - | 42,509 | 42,509 | - |
| Health and human services | - | - | 7,931 | (7,931) |
| Economic development | 185,000 | 925,860 | 677,808 | 248,052 |
| Intergovernmental | - | 7,093,001 | 636,467 | 6,456,534 |
| Capital outlay: | | | | |
| General government | - | 2,394,953 | 312,118 | 2,082,835 |
| Public safety | - | 526 | 526 | - |
| Total expenditures | 635,000 | 14,495,006 | 3,819,447 | 10,675,559 |
| Deficiency of revenues under expenditures | (415,391) | (8,352,245) | (629,607) | 7,722,638 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from sale of capital assets | 200,000 | 200,000 | 8,640 | (191,360) |
| Issuance of debt | - | 7,505,418 | 581,093 | (6,924,325) |
| Insurance proceeds | - | - | 496,528 | 496,528 |
| Transfers in | 428,479 | 446,390 | 792,440 | 346,050 |
| Transfers out | - | (1,273,689) | (1,140,000) | 133,689 |
| Total other financing sources, net | 628,479 | 6,878,119 | 738,701 | (6,139,418) |
| Net change in fund balance | 213,088 | (1,474,126) | 109,094 | 1,583,220 |
| FUND BALANCES, beginning of year | 10,018,816 | 10,018,816 | 10,018,816 | - |
| FUND BALANCES, end of year | \$ 10,231,904 | \$ 8,544,690 | \$ 10,127,910 | \$ 1,583,220 |

FIDUCIARY FUNDS

CUSTODIAL FUNDS

Custodial funds are used to account for assets held by the County as an agent for individuals, private organizations, and other governments.

Sheriff Trust Funds – to account for the receipts and disbursements by the Sheriff's office related to seized assets from offenders.

Inmate Trust Funds – to account for the funds held for the offenders that are incarcerated.

Jail Commissary Funds – to account for the resources used to operate the County detention center commissary.

Willow Swamp Water Shed Fund – to account for the resources used for the Willow Swamp water shed.

Law Officer's Memorial Fund – to account for contributions on behalf of law enforcement officials.

Treasurer Fund – to account for receipts and disbursements by the Treasurer that will be disbursed to other entities.

14th Circuit Court Solicitor Fund – to account for receipts and disbursements by the 14th Circuit Court Solicitor that will be disbursed to other entities.

Delinquent Tax Fund – to account for delinquent taxes collected.

Clerk of Court Fund – to account for child support payments, bonds, restitution, and fines collected by the Clerk of Court and held in trust for others.

Magistrate's Fund – to account for fines collected that have not been disposed of by the court.

Firemen's Fund – represents the receipts and disbursements by the treasurer that will be disbursed to the various fire departments within the County.

Colleton County School Fund – used to account for receipts and disbursements by the treasurer of assets earmarked for the school district.

COLLETON COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF FIDUCIARY NET POSITION CUSTODIAL FUNDS JUNE 30, 2021

| ASSETS | Sheriff Trust Funds | Inmate Trust Fund | Jail Commissary | Willow Swamp Water Shed | Law Officer's Memorial |
|--|--------------------------------|------------------------------|----------------------------|------------------------------------|-----------------------------------|
| Cash and cash equivalents | \$ 241,728 | \$ 105,815 | 131,718 | \$ 48,680 | \$ 2,859 |
| Taxes receivable | - | - | - | 3 | - |
| Other receivables | - | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total assets | 241,728 | 105,815 | 131,718 | 48,683 | 2,859 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| LIABILITIES | | | | | |
| Due to others | 183,262 | 68,789 | 108,500 | 42,948 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total liabilities | 183,262 | 68,789 | 108,500 | 42,948 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| NET POSITION | | | | | |
| Restricted: | | | | | |
| Individuals, organizations, and other governments | 58,466 | 37,026 | 23,218 | 5,735 | 2,859 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total net position | \$ 58,466 | \$ 37,026 | 23,218 | \$ 5,735 | \$ 2,859 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

| <u>Treasurer</u> | <u>14th Circuit Court Solicitor</u> | <u>Delinquent Tax</u> | <u>Clerk of Court</u> | <u>Magistrate</u> | <u>Firemen</u> | <u>Colleton County School</u> | <u>Total</u> |
|-------------------|---|---------------------------|---------------------------|-------------------|------------------|-----------------------------------|---------------------|
| \$ 754,660 | \$ 11,490 | \$ 2,765,130 | \$ 313,398 | \$ 78,948 | \$ 104,893 | \$ 7,307,124 | \$ 11,866,443 |
| - | - | - | - | - | - | - | 3 |
| 3,637 | 872 | - | - | - | - | - | 4,509 |
| <u>758,297</u> | <u>12,362</u> | <u>2,765,130</u> | <u>313,398</u> | <u>78,948</u> | <u>104,893</u> | <u>7,307,124</u> | <u>11,870,955</u> |
| 504,536 | 9,150 | 1,848,290 | 236,217 | 87,254 | 84,495 | 5,774,524 | 8,947,965 |
| <u>504,536</u> | <u>9,150</u> | <u>1,848,290</u> | <u>236,217</u> | <u>87,254</u> | <u>84,495</u> | <u>5,774,524</u> | <u>8,947,965</u> |
| 253,761 | 3,212 | 916,840 | 77,181 | (8,306) | 20,398 | 1,532,600 | \$ 2,922,990 |
| <u>\$ 253,761</u> | <u>\$ 3,212</u> | <u>\$ 916,840</u> | <u>\$ 77,181</u> | <u>\$ (8,306)</u> | <u>\$ 20,398</u> | <u>\$ 1,532,600</u> | <u>\$ 2,922,990</u> |

COLLETON COUNTY, SOUTH CAROLINA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021**

| | <u>Sheriff Trust Funds</u> | <u>Inmate Trust Fund</u> | <u>Jail Commissary</u> | <u>Willow Swamp Water Shed</u> | <u>Law Officer's Memorial</u> |
|--|--------------------------------|------------------------------|----------------------------|------------------------------------|-----------------------------------|
| ADDITIONS | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ 5,497 | \$ - |
| Fines and fees | - | 52,093 | - | - | - |
| Miscellaneous | 1,160 | - | 162,013 | 238 | 5 |
| | <u>1,160</u> | <u>52,093</u> | <u>162,013</u> | <u>5,735</u> | <u>5</u> |
| Total additions | | | | | |
| | <u>1,160</u> | <u>52,093</u> | <u>162,013</u> | <u>5,735</u> | <u>5</u> |
| DEDUCTIONS | | | | | |
| Taxes and fees paid to other governments | - | - | - | - | - |
| Other custodial disbursements | 41 | 15,067 | 138,795 | - | - |
| | <u>41</u> | <u>15,067</u> | <u>138,795</u> | <u>-</u> | <u>-</u> |
| Total deductions | | | | | |
| | <u>41</u> | <u>15,067</u> | <u>138,795</u> | <u>-</u> | <u>-</u> |
| Net increase (decrease) in fiduciary net position | 1,119 | 37,026 | 23,218 | 5,735 | 5 |
| Net position, beginning of year, restated | <u>57,347</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,854</u> |
| Net position, end of year | <u>\$ 58,466</u> | <u>\$ 37,026</u> | <u>\$ 23,218</u> | <u>\$ 5,735</u> | <u>\$ 2,859</u> |

| <u>Treasurer</u> | <u>14th Circuit Court Solicitor</u> | <u>Delinquent Tax</u> | <u>Clerk of Court</u> | <u>Magistrate</u> | <u>Firemen</u> | <u>Colleton County School</u> | <u>Total</u> |
|-------------------|---|---------------------------|---------------------------|-------------------|------------------|-----------------------------------|---------------------|
| \$ 5,093,419 | \$ - | \$ 6,261,370 | \$ - | \$ - | \$ 77,490 | \$ 10,774,878 | \$ 22,212,654 |
| 3,038,657 | - | - | 499,070 | 500,260 | - | - | 4,090,080 |
| 198 | 81,570 | 12,881 | 26 | - | 663 | 19,874,535 | 20,133,289 |
| <u>8,132,274</u> | <u>81,570</u> | <u>6,274,251</u> | <u>499,096</u> | <u>500,260</u> | <u>78,153</u> | <u>30,649,413</u> | <u>46,436,023</u> |
| 8,021,570 | - | 5,430,446 | - | - | - | 17,448,539 | 30,900,555 |
| - | 89,195 | - | 580,787 | 528,886 | 57,755 | 12,160,427 | 13,570,953 |
| <u>8,021,570</u> | <u>89,195</u> | <u>5,430,446</u> | <u>580,787</u> | <u>528,886</u> | <u>57,755</u> | <u>29,608,966</u> | <u>44,471,508</u> |
| 110,704 | (7,625) | 843,805 | (81,691) | (28,626) | 20,398 | 1,040,447 | 1,964,515 |
| 143,057 | 10,837 | 73,035 | 158,872 | 20,320 | - | 492,153 | 958,475 |
| <u>\$ 253,761</u> | <u>\$ 3,212</u> | <u>\$ 916,840</u> | <u>\$ 77,181</u> | <u>\$ (8,306)</u> | <u>\$ 20,398</u> | <u>\$ 1,532,600</u> | <u>\$ 2,922,990</u> |

COMPONENT UNITS

MAJOR COMPONENT UNITS

Component units are used to account for organizations that raise and hold economic resources for the direct benefit of the governmental unit and for which the elected officials of the primary government are financially accountable.

Fire and Rescue Commission – used to account for programs and activities of the fire and rescue department.

Memorial Library Fund – used to account for programs and activities for the Memorial Library.

COLLETON COUNTY, SOUTH CAROLINA

BALANCE SHEET COMPONENT UNIT FIRE AND RESCUE COMMISSION JUNE 30, 2021

| | General | Debt Service | Capital | Total |
|---|--------------|--------------|------------|--------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 188,789 | \$ 32,775 | \$ 761,619 | \$ 983,183 |
| Receivables, net | 1,814,929 | 160,334 | - | 1,975,263 |
| Prepaid expenditures | 205,880 | - | - | 205,880 |
| Total assets | \$ 2,209,598 | \$ 193,109 | \$ 761,619 | \$ 3,164,326 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 165,577 | \$ - | \$ 137,368 | \$ 302,945 |
| Accrued payroll and benefits | 263,297 | - | - | 263,297 |
| Total liabilities | 428,874 | - | 137,368 | 566,242 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue - fees | 1,421,300 | - | - | 1,421,300 |
| Unavailable revenue - property taxes | 206,816 | 130,479 | - | 337,295 |
| Unavailable revenue - intergovernmental | 50,348 | - | - | 50,348 |
| Total deferred inflows of resources | 1,678,464 | 130,479 | - | 1,808,943 |
| FUND BALANCES | | | | |
| Nonspendable | 205,880 | - | - | 205,880 |
| Restricted | - | 62,630 | 624,251 | 686,881 |
| Unassigned | (103,620) | - | - | (103,620) |
| Total fund balances | 102,260 | 62,630 | 624,251 | 789,141 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 2,209,598 | \$ 193,109 | \$ 761,619 | \$ 3,164,326 |

COLLETON COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION COMPONENT UNIT – FIRE AND RESCUE COMMISSION JUNE 30, 2021

| | | | |
|--|----|------------------|------------------------------|
| Total Fire and Rescue fund balance: | \$ | 789,141 | |
| Amounts reported for governmental activities in the statement of net position are different because of the following: | | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the government funds. | | | 11,716,500 |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds: | | | |
| Property taxes and other special assessments | \$ | 337,295 | |
| EMS fee receivables | | 1,421,300 | |
| Intergovernmental revenues | | <u>50,348</u> | 1,808,943 |
| Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds. These deferred outflows of resources consist of pension related experience differences, assumption changes, and differences between projected and actual earnings on plan investments: | | | |
| Deferred outflows related to pensions | \$ | 3,368,930 | |
| Deferred outflows related to other post-employment benefits | | <u>113,237</u> | 3,482,167 |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds: | | | |
| General obligation bonds | \$ | (7,415,000) | |
| Bond premiums | | (63,652) | |
| Capital leases | | (985,331) | |
| Compensated absences | | (346,396) | |
| Accrued interest | | (87,789) | |
| Net pension liability | | (13,983,150) | |
| Total other post-employment benefits liability | | <u>(795,869)</u> | (23,677,187) |
| Deferred inflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds. These deferred inflows of resources consist of pension related differences between projected and actual earnings on plan investments. | | | |
| Deferred inflows related to pensions | \$ | (69,393) | |
| Deferred inflows related to other post-employment benefits | | <u>(66,789)</u> | (136,182) |
| Net position of governmental activities | | | <u><u>\$ (6,016,618)</u></u> |

COLLETON COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES COMPONENT UNIT - FIRE AND RESCUE COMMISSION FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | General | Debt Service | Capital | Total |
|--|--------------|--------------|-------------|--------------|
| REVENUES | | | | |
| Taxes | \$ 3,738,254 | \$ 2,544,330 | \$ - | \$ 6,282,584 |
| Intergovernmental | 4,356,928 | - | - | 4,356,928 |
| Fines and fees | 1,850,027 | - | - | 1,850,027 |
| Other income | 16,218 | 1,814 | 7,326 | 25,358 |
| Total revenues | 9,961,427 | 2,546,144 | 7,326 | 12,514,897 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | 10,878,552 | - | 170,984 | 11,049,536 |
| Capital outlay: | | | | |
| Public safety | 37,001 | - | 1,005,151 | 1,042,152 |
| Debt service: | | | | |
| Principal | - | 1,318,604 | - | 1,318,604 |
| Interest | - | 261,895 | - | 261,895 |
| Total expenditures | 10,915,553 | 1,580,499 | 1,176,135 | 13,672,187 |
| Excess (deficiency) of revenues over (under) expenditures | (954,126) | 965,645 | (1,168,809) | (1,157,290) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from sale of capital assets | 20,500 | - | - | 20,500 |
| Insurance recoveries | 109,562 | - | - | 109,562 |
| Transfers in | 922,214 | - | - | 922,214 |
| Transfers out | - | (922,214) | - | (922,214) |
| Total other financing sources (uses) | 1,052,276 | (922,214) | - | 130,062 |
| Net change in fund balances | 98,150 | 43,431 | (1,168,809) | (1,027,228) |
| Fund balances, beginning of year | 4,110 | 19,199 | 1,793,060 | 1,816,369 |
| Fund balances, end of year | \$ 102,260 | \$ 62,630 | \$ 624,251 | \$ 789,141 |

COLLETON COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES COMPONENT UNIT – FIRE AND RESCUE COMMISSION FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | |
|--|----------------|
| Net change in fund balances - total governmental funds | \$ (1,027,228) |
|--|----------------|

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

| | | |
|----------------------|------------------|---------|
| Capital outlay | \$ 1,253,156 | |
| Depreciation expense | <u>(982,360)</u> | 270,796 |

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

| | | |
|--|---------------|---------|
| Property taxes and other special assessments | \$ (84,449) | |
| EMS fees receivable | 209,015 | |
| Intergovernmental revenues | <u>22,078</u> | 146,644 |

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The effects of these items are as follows:

| | | |
|--|---------------|-----------|
| Repayment of the principal of long-term debt | \$ 1,318,604 | |
| Amortization of premium on long-term debt | <u>15,168</u> | 1,333,772 |

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following amounts represent the net liability changes using the full accrual method of accounting:

| | | |
|--|-----------------|---------------------|
| Pension liability | \$ (1,022,461) | |
| Compensated absences | (44,794) | |
| Accrued interest on long-term debt | 14,563 | |
| Other post-employment benefits liability | <u>(69,033)</u> | (1,121,725) |
| | | <u>\$ (397,741)</u> |

COLLETON COUNTY, SOUTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL COMPONENT UNIT - FIRE AND RESCUE COMMISSION FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | Original Budgeted Amounts | Final Budgeted Amounts | Actual | Variance |
|--|---------------------------------|------------------------------|--------------------|-------------------|
| REVENUES | | | | |
| Taxes | \$ 5,924,717 | \$ 5,996,716 | \$ 6,282,584 | \$ 285,868 |
| Intergovernmental | 3,728,496 | 4,402,300 | 4,356,928 | (45,372) |
| Fines and fees | 1,828,561 | 1,854,998 | 1,850,027 | (4,971) |
| Other revenues | 7,326 | 109,215 | 25,358 | (83,857) |
| Total revenues | <u>11,489,100</u> | <u>12,363,229</u> | <u>12,514,897</u> | <u>151,668</u> |
| EXPENDITURES | | | | |
| Public safety | 10,218,183 | 11,153,506 | 11,049,536 | 103,970 |
| Capital outlay: | | | | |
| Public safety | 1,005,151 | 1,043,648 | 1,042,152 | 1,496 |
| Debt service: | | | | |
| Principal | 1,318,604 | 1,318,604 | 1,318,604 | - |
| Interest and fiscal charges | 261,894 | 261,894 | 261,895 | (1) |
| Total expenditures | <u>12,803,832</u> | <u>13,777,652</u> | <u>13,672,187</u> | <u>105,465</u> |
| Deficiency of revenues under expenditures | <u>(1,314,732)</u> | <u>(1,414,423)</u> | <u>(1,157,290)</u> | <u>257,133</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from sale of capital assets | - | 80,000 | 20,500 | (59,500) |
| Insurance proceeds | - | 84,394 | 109,562 | 25,168 |
| Transfers in | 983,159 | 983,159 | 922,214 | (60,945) |
| Transfers out | (922,214) | (922,214) | (922,214) | - |
| Total other financing sources, net | <u>60,945</u> | <u>225,339</u> | <u>130,062</u> | <u>(95,277)</u> |
| Net change in fund balance | <u>(1,253,787)</u> | <u>(1,189,084)</u> | <u>(1,027,228)</u> | <u>161,856</u> |
| FUND BALANCES, beginning of year | <u>1,816,369</u> | <u>1,816,369</u> | <u>1,816,369</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ 562,582</u> | <u>\$ 627,285</u> | <u>\$ 789,141</u> | <u>\$ 161,856</u> |

COLLETON COUNTY, SOUTH CAROLINA

BALANCE SHEET COMPONENT UNIT MEMORIAL LIBRARY JUNE 30, 2021

| | General | Special Revenue Fund | Total |
|--------------------------------------|-------------------|-------------------------|-------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 193,847 | \$ 9,219 | \$ 203,066 |
| Prepaid expenditures | 14,924 | - | 14,924 |
| Total assets | <u>\$ 208,771</u> | <u>\$ 9,219</u> | <u>\$ 217,990</u> |
| LIABILITIES AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts payable | \$ 5,952 | \$ 6,742 | \$ 12,694 |
| Accrued payroll and benefits | 15,243 | - | 15,243 |
| Unearned revenue | 3,009 | - | 3,009 |
| Total liabilities | <u>24,204</u> | <u>6,742</u> | <u>30,946</u> |
| FUND BALANCES | | | |
| Nonspendable | 14,924 | - | 14,924 |
| Restricted | - | 2,477 | 2,477 |
| Unassigned | 169,643 | - | 169,643 |
| Total fund balances | <u>184,567</u> | <u>2,477</u> | <u>187,044</u> |
| Total liabilities and fund balances | <u>\$ 208,771</u> | <u>\$ 9,219</u> | <u>\$ 217,990</u> |

COLLETON COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION COMPONENT UNIT – MEMORIAL LIBRARY JUNE 30, 2021

| | | | |
|--|----|-----------|---------------------|
| Total Memorial Library fund balance: | | \$ | 187,044 |
| Amounts reported for governmental activities in the statement of net position are different because of the following: | | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the government funds. | | | |
| | | | 308,776 |
| Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds. These deferred outflows of resources consist of pension related experience differences, assumption changes, and differences between projected and actual earnings on plan investments: | | | |
| Deferred outflows related to pensions | \$ | 170,457 | |
| Deferred outflows related to other post-employment benefits | | 75,245 | 245,702 |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds: | | | |
| Compensated absences | \$ | (18,430) | |
| Net pension liability | | (915,621) | |
| Total other post-employment benefits liability | | (528,849) | (1,462,900) |
| Deferred inflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds. These deferred inflows of resources consist of pension related differences between projected and actual earnings on plan investments. | | | |
| Deferred inflows related to pensions | \$ | (14,580) | |
| Deferred inflows related to other post-employment benefits | | (44,381) | (58,961) |
| Net position of governmental activities | | | <u>\$ (780,339)</u> |

COLLETON COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES COMPONENT UNIT - MEMORIAL LIBRARY FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | General | Special Revenue Fund | Total |
|---|-------------------|-------------------------|-------------------|
| REVENUES | | | |
| Intergovernmental | \$ 680,315 | \$ 100,000 | \$ 780,315 |
| Fines and fees | 20,517 | - | 20,517 |
| Other income | 35,664 | 53 | 35,717 |
| Total revenues | <u>736,496</u> | <u>100,053</u> | <u>836,549</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Recreation and culture | 674,733 | 100,619 | 775,352 |
| Capital outlay | 3,936 | - | 3,936 |
| Total expenditures | <u>678,669</u> | <u>100,619</u> | <u>779,288</u> |
| Net change in fund balances | 57,827 | (566) | 57,261 |
| Fund balances, beginning of year | <u>126,740</u> | <u>3,043</u> | <u>129,783</u> |
| Fund balances, end of year | <u>\$ 184,567</u> | <u>\$ 2,477</u> | <u>\$ 187,044</u> |

COLLETON COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - COMPONENT UNIT - MEMORIAL LIBRARY FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | | |
|--|----|--------|
| Net change in fund balances - total governmental funds | \$ | 57,261 |
|--|----|--------|

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

| | | | |
|----------------------|----|------------------|----------|
| Capital outlay | \$ | 92,150 | |
| Depreciation expense | | <u>(105,925)</u> | (13,775) |

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following amounts represent the net liability changes using the full accrual method of accounting:

| | | | |
|--|----|-----------------|--------------------|
| Pension liability | \$ | (52,503) | |
| Compensated absences | | 3,468 | |
| Other post-employment benefits liability | | <u>(45,876)</u> | <u>(94,911)</u> |
| | | | <u>\$ (51,425)</u> |

COLLETON COUNTY, SOUTH CAROLINA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
COMPONENT UNIT - MEMORIAL LIBRARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

| | Original Budgeted Amounts | Final Budgeted Amounts | Actual | Variance |
|---|--|---------------------------------------|-------------------|------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 679,783 | \$ 780,315 | \$ 780,315 | \$ - |
| Fines and fees | - | - | 20,517 | 20,517 |
| Other revenues | - | 21,387 | 35,717 | 14,330 |
| Total revenues | <u>679,783</u> | <u>801,702</u> | <u>836,549</u> | <u>34,847</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Recreation and culture | 683,063 | 805,481 | 775,352 | 30,129 |
| Capital outlay | - | - | 3,936 | (3,936) |
| Total expenditures | <u>683,063</u> | <u>805,481</u> | <u>779,288</u> | <u>26,193</u> |
| Net change in fund balance | (3,280) | (3,779) | 57,261 | 61,040 |
| FUND BALANCES, beginning of year | <u>129,783</u> | <u>129,783</u> | <u>129,783</u> | <u>-</u> |
| FUND BALANCES, end of year | <u>\$ 126,503</u> | <u>\$ 126,004</u> | <u>\$ 187,044</u> | <u>\$ 61,040</u> |

COUNTY/MUNICIPAL NAME
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND
SURCHARGES (per ACT 96)
For The Year Ended June 30, 2021

FOR THE STATE TREASURER'S OFFICE:

| COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT | <u>General Sessions</u> | <u>Magistrate Court</u> | <u>Municipal Court</u> | <u>Total</u> |
|--|------------------------------------|------------------------------------|-----------------------------------|----------------------|
| Court Fines and Assessments: | | | | |
| Court fines and assessments collected | \$ 390,017.59 | \$ 507,923.96 | \$ - | \$ 897,941.55 |
| Court fines and assessments remitted to State Treasurer | \$ (218,390.13) | \$ (256,038.64) | \$ - | \$ (474,428.77) |
| Total Court Fines and Assessments retained | \$ 171,627.46 | \$ 251,885.32 | \$ - | \$ 423,512.78 |
| Surcharges and Assessments retained for victim services: | | | | |
| Surcharges collected and retained | \$ 12,949.22 | \$ 9,022.58 | \$ - | \$ 21,971.80 |
| Assessments retained | \$ 460.20 | \$ 19,861.49 | \$ - | \$ 20,321.69 |
| Total Surcharges and Assessments retained for victim services | \$ 13,409.42 | \$ 28,884.07 | \$ - | \$ 42,293.49 |

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

| <u>VICTIM SERVICE FUNDS COLLECTED</u> | <u>Municipal</u> | <u>County</u> | <u>Total</u> |
|---|-------------------------|----------------------|----------------------|
| Carryforward from Previous Year – Beginning Balance | | \$ 159,462.81 | \$ 155,388.83 |
| <u>Victim Service Revenue:</u> | | | |
| Victim Service Fines Retained by City/County Treasurer | \$ - | \$ - | \$ - |
| Victim Service Assessments Retained by City/County Treasurer | \$ - | \$ 28,884.07 | \$ 28,884.07 |
| Victim Service Surcharges Retained by City/County Treasurer | \$ - | \$ 13,409.42 | \$ 13,409.42 |
| Interest Earned | \$ - | \$ 754.53 | \$ 754.53 |
| Grant Funds Received | | | |
| Grant from: | \$ - | \$ - | \$ - |
| General Funds Transferred to Victim Service Fund | \$ - | \$ - | \$ - |
| Contribution Received from Victim Service Contracts: | | | |
| (1) Town of Edisto Beach | \$ - | \$ 7,660.65 | \$ 7,660.65 |
| (2) Town of Cottageville | \$ - | \$ 10,000.00 | \$ 10,000.00 |
| (3) City of | \$ - | \$ - | \$ - |
| Total Funds Allocated to Victim Service Fund + Beginning Balance (A) | \$ - | \$ 220,171.48 | \$ 216,097.50 |

COUNTY/MUNICIPAL NAME
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND
SURCHARGES (per ACT 96)
For The Year Ended June 30, 2021

| <u>Expenditures for Victim Service Program:</u> | <u>Municipal</u> | <u>County</u> | <u>Total</u> |
|---|-------------------------|----------------------|----------------------|
| Salaries and Benefits | \$ - | \$ 73,758.93 | \$ 73,758.93 |
| Operating Expenditures | \$ - | \$ 11,030.16 | \$ 11,030.16 |
| Victim Service Contract(s): | | | |
| (1) Entity's Name | \$ - | \$ - | \$ - |
| (2) Entity's Name | \$ - | \$ - | \$ - |
| Victim Service Donation(s): | | | |
| (1) Domestic Violence Shelter: | \$ - | \$ - | \$ - |
| (2) Rape Crisis Center: Hopeful Horizons | \$ - | | \$ - |
| (3) Other local direct crime victims service agency: | \$ - | \$ - | \$ - |
| Transferred to General Fund | \$ - | \$ - | \$ - |
| Total Expenditures from Victim Service Fund/Program (B) | \$ - | \$ 84,789.09 | \$ 84,789.09 |
| Total Victim Service Funds Retained by Municipal/County Treasurer (A-B) | \$ - | \$ 135,382.39 | \$ 135,382.39 |
| Less: Prior Year Fund Deficit Repayment | \$ - | \$ - | \$ - |
| Carryforward Funds – End of Year | \$ - | \$ 135,382.39 | \$ 135,382.39 |

STATISTICAL SECTION

STATISTICAL SECTION

This part of the Colleton County, South Carolina annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures and required supplementary information says about the County's overall financial health.

| <u>Contents</u> | <u>Page</u> |
|--|--------------------|
| Financial Trends..... | 125 – 128 |
| These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. | |
| Revenue Capacity | 129 – 132 |
| These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes. | |
| Debt Capacity | 133– 137 |
| These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. | |
| Demographic and Economic Information..... | 138 and 139 |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help comparisons over time and with other governments. | |
| Operating Information | 140 – 142 |
| These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs. | |

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

COLLETON COUNTY, SOUTH CAROLINA

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

| | Fiscal Year | | | | | | | | | |
|--------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Governmental activities | | | | | | | | | | |
| Net investment in capital | | | | | | | | | | |
| assets | \$ 28,162,225 | \$ 29,208,570 | \$ 31,257,962 | \$ 33,464,047 | \$ 31,778,627 | \$ 37,187,490 | \$ 35,243,087 | \$ 40,730,332 | \$ 42,289,669 | \$ 43,815,008 |
| Restricted | 10,192,511 | 8,976,701 | 10,305,751 | 9,738,050 | 17,017,936 | 12,733,361 | 14,691,101 | 7,998,775 | 8,295,818 | 10,571,627 |
| Unrestricted | 12,627,357 | 10,997,674 | 14,202,852 | (8,369,151) | (11,885,105) | (9,606,502) | (13,477,153) | (14,118,289) | (17,448,244) | (18,318,223) |
| Total governmental activities | | | | | | | | | | |
| net position | <u>\$ 50,982,093</u> | <u>\$ 49,182,945</u> | <u>\$ 55,766,565</u> | <u>\$ 34,832,946</u> | <u>\$ 36,911,458</u> | <u>\$ 40,314,349</u> | <u>\$ 36,457,035</u> | <u>\$ 34,610,818</u> | <u>\$ 33,137,243</u> | <u>\$ 36,068,412</u> |

Source: County Audit Reports

COLLETON COUNTY, SOUTH CAROLINA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 8,000,488 | \$ 8,178,472 | \$ 10,740,147 | \$ 8,811,200 | \$ 9,227,968 | \$ 9,810,028 | \$ 8,428,469 | \$ 9,253,826 | \$ 10,607,610 | \$ 10,882,564 |
| Judicial | 4,996,680 | 4,594,583 | 4,957,014 | 5,255,325 | 5,871,221 | 6,309,402 | 6,498,833 | 6,194,472 | 6,856,354 | 7,005,856 |
| Public safety | 8,202,681 | 8,410,210 | 8,589,140 | 8,642,672 | 8,319,638 | 8,702,190 | 13,309,631 | 14,133,924 | 15,820,923 | 15,683,920 |
| Roads and bridges | 2,320,046 | 2,496,358 | 4,182,236 | 4,949,171 | 6,405,248 | 2,975,077 | 3,398,083 | 4,699,060 | 7,154,129 | 6,192,936 |
| Solid waste | 2,280,816 | 2,449,740 | 2,568,610 | 2,509,851 | 2,418,936 | 2,575,815 | 3,215,275 | 3,903,706 | 4,104,787 | 4,403,242 |
| Recreation and culture | 1,036,373 | 1,313,153 | 1,743,106 | 2,906,984 | 2,627,302 | 2,927,170 | 3,825,057 | 4,813,076 | 4,691,384 | 4,684,331 |
| Health and human services | 1,672,744 | 1,789,799 | 1,925,374 | 1,928,313 | 1,908,438 | 1,888,520 | 2,392,807 | 2,249,725 | 2,734,348 | 3,738,071 |
| Economic development | 2,027,728 | 3,373,628 | 1,569,363 | 1,568,862 | 1,650,684 | 1,377,821 | 11,530,791 | 7,777,710 | 1,943,153 | 1,194,174 |
| Intergovernmental | 3,130,391 | 3,360,676 | 3,661,372 | 3,836,524 | 5,590,873 | 9,763,973 | - | - | - | - |
| Interest and fiscal changes | 560,225 | 500,152 | 437,611 | 469,185 | 895,063 | 759,085 | 704,723 | 622,477 | 761,664 | 659,989 |
| Totals expenses | 34,228,172 | 36,466,771 | 40,373,973 | 40,878,087 | 44,915,371 | 47,089,081 | 53,303,669 | 53,647,976 | 54,674,352 | 54,445,083 |
| Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| General government | 407,482 | 483,659 | 568,195 | 531,064 | 1,231,180 | 1,407,234 | 1,547,365 | 1,583,830 | 1,657,588 | 1,450,666 |
| Judicial | 2,852,878 | 2,769,668 | 1,159,451 | 1,117,461 | 1,058,359 | 1,090,259 | 1,004,415 | 987,001 | 837,494 | 724,092 |
| Public safety | 352,108 | 364,705 | 357,982 | 342,051 | 282,939 | 296,497 | 1,234,198 | 1,229,173 | 1,558,802 | 1,544,459 |
| Roads and bridges | 964,525 | 1,015,102 | 911,965 | 895,833 | 934,318 | 1,071,442 | 1,031,641 | 967,055 | 959,775 | 1,113,770 |
| Solid waste | 1,150,138 | 1,636,460 | 1,737,436 | 1,802,512 | 2,071,414 | 2,150,225 | 2,035,603 | 2,383,073 | 2,446,487 | 2,494,106 |
| Recreation and culture | 175,987 | 210,835 | 330,566 | 326,236 | 464,510 | 500,940 | 987,145 | 685,064 | 601,487 | 828,465 |
| Health and human services | 725,761 | 627,354 | 633,729 | 33,107 | 25,911 | 40,276 | 39,191 | 39,310 | 33,188 | - |
| Economic development | - | - | 1,541,360 | 677,045 | - | - | - | - | - | - |
| Operating grants and contributions | 2,102,187 | 3,073,637 | 9,860,851 | 8,629,703 | 11,726,799 | 12,448,200 | 9,796,813 | 8,959,746 | 11,937,834 | 14,117,874 |
| Capital grants and contributions | 1,438,292 | - | - | 4,473,000 | - | - | 315,071 | 2,303,722 | 81,496 | 940,550 |
| General revenues: | | | | | | | | | | |
| Taxes | 24,538,580 | 22,956,394 | 21,029,359 | 21,343,703 | 27,045,537 | 28,691,017 | 29,319,480 | 30,191,429 | 30,286,642 | 32,152,665 |
| Grants and contributions not restricted to specific program | 1,197,122 | 1,430,665 | 1,436,657 | 1,445,663 | 1,875,873 | 1,508,783 | 2,577,176 | 1,810,480 | 2,024,709 | 1,701,639 |
| Interest and investment earnings | 79,474 | - | - | - | - | - | - | - | - | - |
| Miscellaneous | 311,507 | 271,784 | 438,004 | 428,830 | 724,951 | 1,287,099 | 638,280 | 661,876 | 775,275 | 327,713 |
| Gain (loss) on sale of assets | 227,984 | 66,667 | - | - | - | - | - | - | - | - |
| Transfer in (out) | - | (52,796) | 90,713 | - | - | - | - | - | - | - |
| Total revenues | 36,524,025 | 34,854,134 | 40,096,268 | 42,046,208 | 47,441,791 | 50,491,972 | 50,526,378 | 51,801,759 | 53,200,777 | 57,395,999 |
| Change in net position | 2,295,853 | (1,612,637) | (277,705) | 1,168,121 | 2,526,420 | 3,402,891 | (2,777,291) | (1,846,217) | (1,473,575) | 2,950,916 |
| Net position - beginning | 48,686,240 | 50,982,093 | 49,182,945 | 55,766,565 | 34,832,946 | 36,911,458 | 40,314,349 | 36,457,035 | 34,610,818 | 33,137,243 |
| Prior period adjustment | - | (186,511) | 6,861,325 | (22,101,740) | (447,908) | - | (1,080,023) | - | - | (19,747) |
| Net position - ending | \$ 50,982,093 | \$ 49,182,945 | \$ 55,766,565 | \$ 34,832,946 | \$ 36,911,458 | \$ 40,314,349 | \$ 36,457,035 | \$ 34,610,818 | \$ 33,137,243 | \$ 36,068,412 |

Source: County Audit Reports

Note 1: Net position was restated at June 30, 2015 for GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

Note 2: Net position was restated at June 30, 2018 for GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*.

COLLETON COUNTY, SOUTH CAROLINA

FUND BALANCES - GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| GENERAL FUND | | | | | | | | | | |
| Non-spendable | \$ 6,718 | \$ 6,076 | \$ 14,004 | \$ 10,534 | \$ 11,570 | \$ 3,333 | \$ 258,279 | \$ 280,929 | \$ 375,765 | \$ 400,434 |
| Restricted | 204,307 | 2,101 | 362,911 | 363,272 | 363,636 | 364,000 | 797,008 | 797,008 | 797,088 | 395,850 |
| Committed | - | - | - | - | - | 219,674 | - | - | - | - |
| Assigned | - | - | 695,942 | 893,097 | 968,193 | 199,057 | - | - | - | - |
| Unassigned | 8,975,864 | 7,921,046 | 5,981,162 | 5,746,897 | 7,085,015 | 7,739,608 | 8,158,084 | 8,420,259 | 7,787,399 | 9,131,378 |
| Total General Fund | <u>\$ 9,186,889</u> | <u>\$ 7,929,223</u> | <u>\$ 7,054,019</u> | <u>\$ 7,013,800</u> | <u>\$ 8,428,414</u> | <u>\$ 8,525,672</u> | <u>\$ 9,213,371</u> | <u>\$ 9,498,196</u> | <u>\$ 8,960,252</u> | <u>\$ 9,927,662</u> |
| CAPITAL PROJECTS FUND | | | | | | | | | | |
| Non-spendable | \$ - | \$ - | \$ 2,700,933 | \$ 2,922,238 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restricted | - | - | 5,214,418 | 4,954,705 | 10,170,294 | 4,504,276 | 5,478,472 | 435,104 | 214,746 | 362,730 |
| Committed | - | - | 4,221,199 | 34,062,547 | 29,554,382 | 26,972,788 | 16,873,105 | 14,074,528 | 9,804,070 | 9,765,180 |
| Total Capital Projects Fund | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 12,136,550</u> | <u>\$ 41,939,490</u> | <u>\$ 39,724,676</u> | <u>\$ 31,477,064</u> | <u>\$ 22,351,577</u> | <u>\$ 14,509,632</u> | <u>\$ 10,018,816</u> | <u>\$ 10,127,910</u> |
| FUNDS | | | | | | | | | | |
| Non-spendable | \$ 4,338,743 | \$ 7,728,952 | \$ 2,027,489 | \$ 1,497,835 | \$ 6,484,006 | \$ 7,865,085 | \$ 22,397 | \$ 15,146 | \$ 19,142 | \$ 22,532 |
| Restricted | 1,873,050 | 3,136,266 | 1,238,084 | 831,384 | 573,094 | 594,006 | 8,415,621 | 1,772,320 | 7,318,569 | 10,115,541 |
| Committed | - | 567,675 | 38,487 | - | - | - | 416,430 | 213,692 | 9,906,021 | 9,938,673 |
| Assigned | 6,193,164 | 162,302 | 1,811,461 | 1,625,160 | 1,485,895 | 1,503,575 | 1,136,948 | 886,929 | 1,187,171 | 1,185,292 |
| Total All Other Governmental Funds | <u>\$ 12,404,957</u> | <u>\$ 11,595,195</u> | <u>\$ 5,115,521</u> | <u>\$ 3,954,379</u> | <u>\$ 8,542,995</u> | <u>\$ 9,962,666</u> | <u>\$ 9,991,396</u> | <u>\$ 2,888,087</u> | <u>\$ 18,430,903</u> | <u>\$ 21,262,038</u> |

Source: County Audit Reports

COLLETON COUNTY, SOUTH CAROLINA

CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Revenues | | | | | | | | | | |
| Taxes | \$ 25,323,266 | \$ 23,885,157 | \$ 21,090,421 | \$ 21,299,184 | \$ 27,396,764 | \$ 28,629,297 | \$ 29,130,415 | \$ 30,142,378 | \$ 30,420,830 | \$ 33,041,207 |
| Fines and fees | 2,021,074 | 7,107,783 | 7,212,428 | 10,075,366 | 13,602,672 | 13,956,983 | 6,465,956 | 6,760,008 | 6,586,845 | 7,073,699 |
| Intergovernmental | 6,266,017 | 4,504,302 | 11,297,508 | 5,811,340 | 6,030,559 | 6,516,583 | 13,534,245 | 13,122,440 | 15,383,606 | 16,070,709 |
| Interest | 79,470 | - | - | - | - | - | - | - | - | - |
| Other | 515,179 | 173,666 | 300,227 | 302,635 | 627,055 | 1,239,266 | 1,121,298 | 1,729,253 | 862,474 | 958,647 |
| Total revenues | 34,205,006 | 35,670,908 | 39,900,584 | 37,488,525 | 47,657,050 | 50,342,129 | 50,251,914 | 51,754,079 | 53,253,755 | 57,144,262 |
| Expenditures | | | | | | | | | | |
| Current: | | | | | | | | | | |
| General government | 7,344,982 | 7,688,345 | 10,293,376 | 8,357,765 | 8,705,075 | 9,233,056 | 8,462,845 | 8,920,357 | 10,108,898 | 10,395,349 |
| Judicial | 2,122,867 | 4,157,881 | 4,456,189 | 4,658,249 | 5,275,752 | 5,679,392 | 6,007,996 | 6,152,386 | 6,216,595 | 6,342,332 |
| Public safety | 7,440,052 | 7,723,408 | 7,723,408 | 7,668,476 | 7,348,907 | 7,713,186 | 8,122,142 | 8,906,780 | 10,383,578 | 9,861,093 |
| Roads and bridges | 1,655,724 | 1,833,460 | 3,466,507 | 4,257,082 | 5,644,622 | 2,096,123 | 1,751,263 | 2,016,790 | 2,044,893 | 2,484,941 |
| Solid waste | 1,972,315 | 2,156,449 | 2,240,650 | 2,208,389 | 2,127,950 | 2,256,218 | 2,585,498 | 3,168,898 | 3,648,480 | 4,000,181 |
| Recreation and culture | 872,178 | 1,055,271 | 1,300,883 | 2,462,699 | 2,038,864 | 2,329,422 | 2,163,441 | 2,520,632 | 2,082,911 | 2,362,008 |
| Health and human services | 833,863 | 1,674,861 | 1,794,798 | 1,797,883 | 1,780,141 | 1,751,754 | 1,875,826 | 2,142,595 | 2,656,161 | 3,505,444 |
| Economic development | 1,864,496 | 3,101,594 | 1,097,322 | 1,110,361 | 1,186,504 | 902,674 | 1,986,024 | 5,355,199 | 1,812,260 | 1,111,992 |
| Intergovernmental | 6,006,861 | 3,360,676 | 3,661,372 | 3,836,524 | 5,590,873 | 9,763,973 | 7,560,938 | 10,012,911 | 11,088,354 | 8,075,258 |
| Capital outlay | 5,315,933 | 3,082,720 | 3,332,868 | 7,569,037 | 3,178,051 | 11,689,652 | 13,281,825 | 7,049,156 | 1,947,079 | 386,473 |
| Debt service: | | | | | | | | | | |
| Principal | 5,325,472 | 2,246,834 | 2,294,878 | 2,528,493 | 2,286,585 | 4,860,166 | 4,925,632 | 6,990,718 | 5,108,333 | 5,198,333 |
| Interest | 388,136 | 536,892 | 466,532 | 393,567 | 768,914 | 854,370 | 795,505 | 722,984 | 886,356 | 779,712 |
| Total expenditures | 41,142,879 | 38,363,543 | 42,128,783 | 46,848,525 | 45,932,238 | 59,129,986 | 59,518,935 | 63,959,406 | 57,983,898 | 54,503,116 |
| Excess (deficiency) of revenues over expenditures | (6,937,873) | (2,692,635) | (2,228,199) | (9,360,000) | 1,724,812 | (8,787,857) | (9,267,021) | (12,205,327) | (4,730,143) | 2,641,146 |
| Other financing sources (uses) | | | | | | | | | | |
| Proceeds from sale of capital assets | 53,082 | 66,667 | 90,713 | 46,578 | 184,544 | - | 143,459 | 194 | 131,655 | 18,332 |
| Issuance of debt | 6,519,794 | - | - | 33,362,384 | 5,395,000 | 2,000,000 | 582,353 | 2,500,000 | - | 581,093 |
| Donation of capital asset | - | - | - | 4,473,000 | - | - | - | - | - | - |
| Legal settlement | - | - | - | 7,411 | - | - | - | - | - | - |
| Bond premium | - | - | - | - | 51,278 | - | - | - | - | - |
| Payment to refund bond escrow | - | - | - | - | (3,710,000) | - | - | - | - | - |
| Gain/loss on sale of asset | - | - | - | - | 5,295 | - | - | - | - | - |
| Insurance proceeds | 177,318 | 98,118 | 137,777 | 72,206 | 137,487 | 57,074 | 132,251 | 39,047 | 99,385 | 578,638 |
| Transfers in | 9,559,323 | 4,251,121 | 6,220,775 | 4,255,156 | 8,423,212 | 6,530,977 | 6,401,391 | 6,305,753 | 5,497,580 | 5,593,537 |
| Transfers out | (9,559,323) | (4,303,917) | (6,220,775) | (4,255,156) | (8,423,212) | (6,530,977) | (6,401,391) | (6,305,753) | (5,497,580) | (5,593,537) |
| Total other financing sources | 6,750,194 | 111,989 | 228,490 | 37,961,579 | 2,063,604 | 2,057,074 | 858,063 | 2,539,241 | 231,040 | 1,178,063 |
| Net change in fund balances | (187,679) | (2,580,646) | (1,999,709) | 28,601,579 | 3,788,416 | (6,730,783) | (8,408,958) | (9,666,086) | (4,499,103) | 3,819,209 |
| Other changes in fund balance | 2,669,997 | 513,218 | 6,781,381 | - | - | - | - | - | - | - |
| Fund balances, beginning | 19,109,528 | 21,591,846 | 19,524,418 | 24,306,090 | 52,907,669 | 56,696,085 | 49,965,302 | 41,556,344 | 31,890,258 | 27,391,155 |
| Prior period adjustment | - | - | - | - | - | - | - | - | - | (19,747) |
| Fund balances, ending | \$ 21,591,846 | \$ 19,524,418 | \$ 24,306,090 | \$ 52,907,669 | \$ 56,696,085 | \$ 49,965,302 | \$ 41,556,344 | \$ 31,890,258 | \$ 27,391,155 | \$ 31,190,617 |
| Debt service as a percentage of non-capital expenditures | 15.9% | 7.9% | 7.1% | 7.4% | 7.1% | 12.0% | 12.4% | 13.6% | 11.1% | 11.3% |

Source: County Audit Reports

COLLETON COUNTY, SOUTH CAROLINA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

| Fiscal Year | Assessed Value | | | Market Value | | | Total Direct Tax Rate |
|----------------|------------------|----------------------|----------------|------------------|----------------------|------------------|--------------------------------|
| | Real Property | Personal Property | Total | Real Property | Personal Property | Total | |
| 2012 | \$ 127,313,207 | \$ 44,104,392 | \$ 171,417,599 | \$ 3,677,625,787 | \$ 561,477,710 | \$ 4,239,103,497 | 115.86 |
| 2013 | 124,529,285 | 45,681,967 | 170,211,252 | 3,677,288,314 | 577,742,213 | 4,255,030,527 | 115.86 |
| 2014 | 124,290,470 | 46,322,848 | 170,613,318 | 3,675,411,178 | 542,309,703 | 4,217,720,881 | 115.86 |
| 2015 | 124,833,360 | 38,508,140 | 163,341,500 | 3,743,314,532 | 459,532,616 | 4,202,847,148 | 115.86 |
| 2016 | 125,463,400 | 41,403,580 | 166,866,980 | 3,792,357,210 | 512,687,036 | 4,305,044,246 | 125.05 |
| 2017 | 126,695,930 | 44,408,120 | 171,104,050 | 3,848,082,492 | 548,235,970 | 4,396,318,462 | 125.05 |
| 2018 | 130,485,880 | 45,527,140 | 176,013,020 | 3,997,547,588 | 562,409,403 | 4,559,956,991 | 125.05 |
| 2019 | 132,774,320 | 44,873,240 | 177,647,560 | 4,085,126,499 | 543,980,519 | 4,629,107,018 | 126.55 |
| 2020 | 136,463,280 | 44,446,986 | 180,910,266 | 4,075,367,609 | 494,862,138 | 4,570,229,747 | 126.55 |
| 2021 | 141,139,420 | 52,028,116 | 193,167,536 | 2,494,924,194 | 607,783,263 | 3,102,707,457 | 126.55 |

* Reassessment Year.

Source: County Auditor

COLLETON COUNTY, SOUTH CAROLINA

DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS

| Fiscal Year | County Direct Rates | | | Overlapping Rates | | | | | |
|----------------|------------------------|----------------|-------------------------|----------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------|
| | County Operations | County Debt | Total Direct Rate | School Operations | School Debt Service | County Fire Protection | County Fire Debt Service | Town of Edisto Beach | City of Walterboro |
| 2012 | 108.45 | 7.41 | 115.86 | 104.31 | 46.50 | 30.54 | 20.69 | 19.53 | 79.46 |
| 2013 | 108.45 | 7.41 | 115.86 | 104.31 | 46.50 | 33.56 | 17.67 | 19.53 | 88.00 |
| 2014 | 108.45 | 7.41 | 115.86 | 104.31 | 46.50 | 33.56 | 17.67 | 20.23 | 88.00 |
| 2015 | 108.45 | 7.41 | 115.86 | 104.31 | 46.50 | 33.56 | 17.67 | 20.23 | 88.00 |
| 2016 | 114.81 | 10.24 | 125.05 | 110.42 | 49.50 | 33.56 | 22.66 | 20.23 | 88.00 |
| 2017 | 114.81 | 10.24 | 125.05 | 110.42 | 49.50 | 33.56 | 22.66 | 20.71 | 88.00 |
| 2018 | 114.81 | 10.24 | 125.05 | 110.42 | 49.50 | 33.56 | 22.66 | 23.44 | 86.40 |
| 2019 | 116.31 | 10.24 | 126.55 | 113.42 | 54.50 | 33.56 | 22.66 | 23.44 | 86.40 |
| 2020 | 116.31 | 10.24 | 126.55 | 116.42 | 54.50 | 33.56 | 22.66 | 24.07 | 86.40 |
| 2021 | 116.31 | 10.24 | 126.55 | 116.42 | 54.50 | 33.56 | 22.66 | 24.07 | 86.40 |

Source: County Auditor

COLLETON COUNTY, SOUTH CAROLINA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

| Customer | 2021 | | | 2012 | | |
|---|------------------------|------|--|------------------------|------|--|
| | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Dominion Energy South Carolina (SCE&G) | \$ 8,574,800 | 1 | 4.44% | \$ N/A | - | - |
| Coastal Electric Coop | 3,203,080 | 2 | 1.66% | N/A | - | - |
| CSX Transportation, Inc. | 965,752 | 3 | 0.50% | N/A | - | - |
| Weyerhaeuser Company | 850,930 | 4 | 0.44% | N/A | - | - |
| Central Electric Power Coop | 828,650 | 5 | 0.43% | N/A | - | - |
| Cellco Partnership DBA Verizon Wireless | 807,930 | 6 | 0.42% | N/A | - | - |
| Wyndham Vacation Resorts, Inc. Etal | 752,340 | 7 | 0.39% | N/A | - | - |
| Lawyers Title Insurance Corporation | 753,630 | 8 | 0.39% | N/A | - | - |
| Walmart Real Estate Business Trust | 735,000 | 9 | 0.38% | N/A | - | - |
| Cherokee Plantation Owners, Inc. | 697,370 | 10 | 0.36% | N/A | - | - |
| | <u>\$ 18,169,482</u> | | <u>9.41%</u> | <u>\$ -</u> | | <u>0.00%</u> |

Source: County Auditor

N/A - Information is not available

COLLETON COUNTY, SOUTH CAROLINA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

| Fiscal Year | | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|-------------|---|--|---|-----------------------|---------------------------------------|---------------------------|-----------------------|
| | | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2012 | | \$ 47,115,937 | \$ 44,705,792 | 94.88% | \$ 1,952,575 | \$ 46,658,367 | 99.03% |
| 2013 | * | 52,100,048 | 44,052,013 | 84.55% | 7,641,945 | 51,693,958 | 99.22% |
| 2014 | | 48,000,778 | 46,192,180 | 96.23% | 1,557,218 | 47,749,398 | 99.48% |
| 2015 | | 14,791,090 | 13,733,646 | 92.85% | 840,579 | 14,574,225 | 98.53% |
| 2016 | | 16,482,359 | 15,385,339 | 93.34% | 980,161 | 16,365,500 | 99.29% |
| 2017 | | 16,903,737 | 15,970,838 | 94.48% | 784,992 | 16,755,830 | 99.13% |
| 2018 | * | 20,208,055 | 19,219,246 | 95.11% | 773,746 | 19,992,992 | 98.94% |
| 2019 | | 20,658,725 | 19,796,004 | 95.82% | 529,760 | 20,325,764 | 98.39% |
| 2020 | | 21,028,987 | 20,449,213 | 97.24% | 337,316 | 20,786,529 | 97.24% |
| 2021 | | 22,018,103 | 21,256,691 | 96.54% | - | 21,256,691 | 96.54% |

Source: Delinquent Tax Collector, County Finance Office, County Auditor, County Treasurer.

Note 1 - All figures up to 2014 include County, Fire and Rescue and School District.

* Reassessment year.

COLLETON COUNTY, SOUTH CAROLINA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

| Fiscal Year | Governmental Activities | | | | Total Primary Government | Percentage of Personal Income | Capital Per Capita |
|-------------|-------------------------|---------------|----------------|----------------------|--------------------------|-------------------------------|--------------------|
| | General Obligation Bond | Notes Payable | Leases Payable | Special Revenue Bond | | | |
| 2012 | \$ 8,206,240 | \$ 677,062 | \$ 2,109,152 | \$ 5,033,701 | \$ 16,026,155 | 13.80% | 420.05 |
| 2013 | 7,280,000 | 517,977 | 1,526,344 | 4,455,000 | 13,779,321 | 11.57% | 361.16 |
| 2014 | 6,110,000 | 352,290 | 932,153 | 4,090,000 | 11,484,443 | 9.44% | 295.29 |
| 2015 | 35,012,627 | 1,059,759 | 2,535,947 | 3,710,000 | 42,318,333 | 33.86% | 1,120.39 |
| 2016 | 38,989,949 | 880,032 | 1,854,089 | - | 41,724,070 | 33.39% | 1,105.83 |
| 2017 | 35,440,618 | 880,032 | 2,473,965 | - | 38,794,615 | 31.18% | 1,022.98 |
| 2018 | 31,897,356 | 880,032 | 1,603,333 | - | 34,380,721 | 26.60% | 914.11 |
| 2019 | 27,138,079 | - | 2,680,000 | - | 29,818,079 | 22.62% | 791.77 |
| 2020 | 22,879,822 | - | 1,756,667 | - | 24,636,489 | 18.03% | 653.89 |
| 2021 | 19,111,299 | - | 833,292 | - | 19,944,591 | 14.22% | 516.65 |

Source: County Audit Report, US Census Bureau

Note 1: Details of the County's outstanding debt can be found in the notes to the financial statements.

Note 2: The ratios are calculated using personal income and population for the prior calendar year.

COLLETON COUNTY, SOUTH CAROLINA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

| <u>Fiscal Year</u> | <u>General Obligation Bonds</u> | <u>Less Amounts Available in Debt Service Funds</u> | <u>Total</u> | <u>Percentage of Estimated Taxable Value of Property</u> | <u>Per Capita</u> |
|------------------------|---|---|--------------|--|-----------------------|
| 2012 | \$ 8,206,240 | \$ 800,657 | \$ 7,405,583 | 4.3% | 194 |
| 2013 | 7,280,000 | 1,031,180 | 6,248,820 | 3.7% | 164 |
| 2014 | 6,110,000 | 919,745 | 5,190,255 | 3.0% | 133 |
| 2015 | 35,012,627 | 411,973 | 34,600,654 | 21.2% | 916 |
| 2016 | 38,989,949 | 5,496,753 | 33,493,196 | 20.1% | 888 |
| 2017 | 35,440,618 | 6,325,794 | 29,114,824 | 17.0% | 768 |
| 2018 | 31,897,356 | 7,010,933 | 24,886,423 | 14.1% | 662 |
| 2019 | 27,138,079 | 5,519,838 | 21,618,241 | 12.2% | 574 |
| 2020 | 22,879,822 | 6,059,526 | 16,820,296 | 9.3% | 446 |
| 2021 | 19,111,299 | 7,639,063 | 11,472,236 | 5.9% | 297 |

COLLETON COUNTY, SOUTH CAROLINA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT JUNE 30, 2021

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable</u> | <u>Estimated Share of Overlapping Debt</u> |
|--|------------------------------|--|--|
| Debt repaid with property taxes | | | |
| Colleton County School District | \$ 72,559,952 | 100.00% | \$ 72,559,952 |
| Fire and Rescue Commission | 8,463,983 | 100.00% | 8,463,983 |
| City of Walterboro | 2,543,945 | 100.00% | 2,543,945 |
| Town of Edisto Beach | <u>1,805,000</u> | <u>100.00%</u> | <u>1,805,000</u> |
| Subtotal overlapping debt | 85,372,880 | | 85,372,880 |
| County direct debt | <u>19,944,591</u> | 100.00% | <u>19,944,591</u> |
| Total direct and overlapping debt | <u><u>\$ 105,317,471</u></u> | | <u><u>\$ 105,317,471</u></u> |

Source: Assessed value data used to estimate applicable percentage provided by Colleton County Auditor.

Note: Debt outstanding data provided by each governmental unit.

COLLETON COUNTY, SOUTH CAROLINA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

| | Fiscal Year | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Debt limit | \$ 10,068,526 | \$ 10,536,276 | \$ 13,649,065 | \$ 13,067,320 | \$ 13,349,358 | \$ 13,688,324 | \$ 14,081,042 | \$ 14,211,805 | \$ 14,472,821 | \$ 15,453,403 |
| Total net debt applicable to limit | 8,206,240 | 7,280,000 | 6,110,000 | 4,740,000 | 8,758,832 * | 8,301,301 | 8,416,034 | 7,370,970 | 6,898,164 | 6,991,353 |
| Legal debt margin | <u>\$ 1,862,286</u> | <u>\$ 3,256,276</u> | <u>\$ 7,539,065</u> | <u>\$ 8,327,320</u> | <u>\$ 4,590,526</u> | <u>\$ 5,387,023</u> | <u>\$ 5,665,008</u> | <u>\$ 6,840,835</u> | <u>\$ 7,574,657</u> | <u>\$ 8,462,050</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 81.50% | 69.09% | 44.76% | 36.27% | 65.61% | 60.65% | 59.77% | 51.87% | 47.66% | 45.24% |
| Legal Debt Margin Calculation for Fiscal Year | | | | | | | | | | |
| Total assessed value | | | | | | | | | | <u>\$ 193,167,536</u> |
| Debt limit (8% of assessed value) | | | | | | | | | | 15,453,403 |
| Debt applicable to limit | | | | | | | | | | <u>6,991,353</u> |
| Legal debt margin | | | | | | | | | | <u>\$ 8,462,050</u> |

Note: Under State finance law, the County's outstanding general obligation debt should not exceed 8% of the total assessed property value.

* Excludes \$29,000,000 Bond Series 2015 because voter approval was obtained for the issuance of the bonds.

Source: County Audit Reports, County Auditor

COLLETON COUNTY, SOUTH CAROLINA

PLEDGED REVENUE COVERAGE LAST TEN FISCAL YEARS

| Fiscal Year | Debt Service Collections | Principal | Interest | Coverage |
|----------------|--------------------------------|------------|-----------|----------|
| 2012 | \$ 1,287,061 | \$ 302,537 | \$ 22,783 | 3.96 |
| 2013 | 1,361,755 | 578,701 | 218,444 | 1.71 |
| 2014 | 1,266,976 | 365,000 | 186,708 | 2.30 |
| 2015 | 1,253,752 | 1,370,000 | 172,260 | 0.81 |
| 2016 | 5,487,307 | 1,425,000 | 573,371 | 2.75 |
| 2017 | 6,003,018 | 3,480,000 | 801,890 | 1.40 |
| 2018 | 6,159,788 | 4,055,000 | 740,378 | 1.28 |
| 2019 | 6,441,766 | 4,687,353 | 757,213 | 1.18 |
| 2020 | 6,559,092 | 4,185,000 | 670,685 | 1.35 |
| 2021 | 7,465,237 | 4,275,000 | 584,694 | 1.54 |

Source: County Auditor

COLLETON COUNTY, SOUTH CAROLINA

DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

| Fiscal Year | Population | Personal Income (thousands of dollars) | Per Capita Personal Income | Median Age | School Enrollment | Unemployment Rate Percentage |
|------------------------|-------------------|---|---|-----------------------|------------------------------|---|
| 2012 | 38,153 | \$ 1,161,213 | \$ 30,436 | 41.7 | 5,885 | 12.2% |
| 2013 | 38,153 | 1,190,505 | 31,505 | N/A | 5,830 | 10.8% |
| 2014 | 38,892 | 1,216,892 | 31,289 | 40.7 | 5,763 | 7.7% |
| 2015 | 37,771 | 1,249,641 | 33,120 | 40.0 | 5,713 | 7.5% |
| 2016 | 37,731 | 1,249,641 | 33,120 | 41.5 | 6,545 | 6.1% |
| 2017 | 37,923 | 1,244,027 | 32,804 | 43.0 | 6,889 | 4.8% |
| 2018 | 37,611 | 1,292,389 | 34,362 | 42.5 | 6,799 | 4.2% |
| 2019 | 37,660 | 1,317,949 | 34,996 | 42.7 | 6,458 | 4.0% |
| 2020 | 37,677 | 1,366,771 | 36,276 | 42.2 | 6,802 | 8.2% |
| 2021 | 38,604 | 1,402,252 | 36,324 | 42.5 | 6,616 | 4.7% |

Source: (1) U.S. Census Bureau
 (2) S.C. Department of Employment and Workforce
 N/A - Information is not available

COLLETON COUNTY, SOUTH CAROLINA

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

| Employer | 2021 | | | 2012 | | |
|---|------------------|------|---|------------------|------|---|
| | FTE Employees | Rank | Percentage of Total County Employment | FTE Employees | Rank | Percentage of Total County Employment |
| Colleton County School District | 837 | 1 | 5.2% | 1,180 | 1 | 8.1% |
| Colleton County Government | 417 | 2 | 2.6% | 400 | 4 | 2.8% |
| Colleton Medical Center | 411 | 3 | 2.6% | 479 | 2 | 3.3% |
| Walmart | 250 | 4 | 1.6% | 476 | 3 | 3.3% |
| Veterans' Victory House | 162 | 5 | 1.0% | N/A | N/A | N/A |
| Cracker Barrel | 122 | 6 | 0.8% | 110 | 5 | 0.8% |
| City of Walterboro | 113 | 7 | 0.7% | 106 | 6 | 0.7% |
| Pioneer Boats | 100 | 8 | 0.6% | N/A | N/A | N/A |
| Rockford Manufacturing | 100 | 9 | 0.6% | N/A | N/A | N/A |
| Palmetto Rural Telephone Cooperative | 85 | 10 | 0.5% | N/A | N/A | N/A |
| Carolina Visuals, LLC | 64 | N/A | 0.4% | N/A | N/A | N/A |
| Bi-Lo | N/A | N/A | N/A | 84 | 7 | 0.6% |
| Reid's | N/A | N/A | N/A | 70 | 8 | 0.5% |
| South Carolina Department of Transportation | N/A | N/A | N/A | 60 | 9 | 0.4% |
| Ruby Tuesday | N/A | N/A | N/A | 57 | 10 | 0.4% |
| Total | | | | | | |
| Total of Top Ten Employees | 2,661 | | 16.6% | 3,022 | | 20.9% |

Data Source:

(1) Colleton County Economic Development

(2) U.S. Census Bureau

N/A - Information is not available.

COLLETON COUNTY, SOUTH CAROLINA

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

| Function | Fiscal Year | | | | | | | | | |
|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| General government | 85.5 | 93.0 | 77.0 | 76.5 | 84.0 | 79.0 | 78.0 | 81.0 | 85.3 | 87.0 |
| Judicial | 20.0 | 18.5 | 58.0 | 55.0 | 78.0 | 80.5 | 74.0 | 71.0 | 79.7 | 76.0 |
| Public safety | 133.0 | 132.0 | 116.0 | 103.0 | 135.0 | 144.5 | 115.0 | 123.0 | 137.6 | 144.0 |
| Roads and bridges | 27.5 | 27.5 | 17.0 | 15.0 | 25.0 | 24.0 | 23.0 | 23.0 | 23.0 | 22.0 |
| Solid waste | 15.5 | 15.5 | 12.0 | 23.5 | 44.0 | 31.2 | 14.5 | 10.0 | 12.2 | 14.0 |
| Recreation and culture | 10.0 | 9.0 | 13.0 | 15.0 | 28.0 | 23.0 | 19.0 | 20.0 | 20.2 | 21.0 |
| Health and human services | 1.5 | 1.5 | 2.0 | 6.0 | 17.0 | 6.5 | 5.0 | 5.0 | 2.0 | 9.0 |
| Economic development | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Alcohol and drug | 10.5 | 10.5 | 9.0 | 8.5 | 11.0 | 8.0 | 9.0 | 10.0 | 14.0 | 14.0 |
| Library | 4.0 | 5.0 | 10.0 | 12.5 | 16.0 | 12.8 | 10.0 | 10.0 | 13.0 | 12.0 |
| Fire and rescue | 75.5 | 77.5 | 76.0 | 77.5 | 82.0 | 78.0 | 83.0 | 85.0 | 85.0 | 92.0 |
| Total | <u>385.00</u> | <u>392.00</u> | <u>392.00</u> | <u>394.50</u> | <u>522.00</u> | <u>489.50</u> | <u>432.50</u> | <u>440.00</u> | <u>473.85</u> | <u>493.0</u> |

Source: County Human Resource Department.

COLLETON COUNTY, SOUTH CAROLINA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

| | Fiscal Year | | | | | | | | | |
|----------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| General Government | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Judicial | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Public Safety | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| EMS Transports | 6,170 | 6,137 | 6,542 | 6,749 | 7,358 | 7,416 | 7,523 | 7,688 | 7,887 | 9,269 |
| Roads and Bridges | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Solid Waste | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Recreation and Culture | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Health and Human Services | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Economic Development | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

N/A - Information is not available. Schedule is currently a work in progress and will be updated in subsequent years as information becomes available.

COLLETON COUNTY, SOUTH CAROLINA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

| Function/Program | Fiscal Year | | | | | | | | | |
|--------------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Recreation and Culture | | | | | | | | | | |
| Community Centers | N/A | 13 | 13 | 13 | 13 | 13 | 14 | 14 | 15 | 15 |
| Recreation Complex | N/A | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Golf Course | N/A | - | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Emergency Services | | | | | | | | | | |
| Number of Fire Stations | 30 | 33 | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 |
| Number of Fire Trucks | 109 | 119 | 106 | 106 | 115 | 103 | 119 | 119 | 119 | 118 |
| Number of Ambulances | 11 | 12 | 12 | 12 | 16 | 11 | 14 | 14 | 14 | 14 |
| Streets and Highways | | | | | | | | | | |
| Miles of Roads | 347.8 | 347.8 | 362.7 | 362.7 | 362.7 | 362.7 | 352.7 | 352.7 | 352.7 | 353 |
| Collection Sites | 13 | 13 | 13 | 13 | 13 | 15 | 15 | 15 | 15 | 15 |
| Sheriff | | | | | | | | | | |
| Patrol Units | 86 | 86 | 86 | 86 | 92 | 96 | 88 | 88 | 88 | 90 |
| Health, Education and Welfare | | | | | | | | | | |
| County Libraries | 1 | 1 | 1 | 1 | 1 | 2 | 3 | 3 | 3 | 3 |
| Book Mobiles | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |

Sources: County Engineering, Fleet, and Facilities Departments.

N/A - Information is not available.

COLLETON COUNTY, SOUTH CAROLINA

SINGLE AUDIT REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

COLLETON COUNTY, SOUTH CAROLINA

SINGLE AUDIT REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS

Page

| | |
|--|-----------|
| Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 1 and 2 |
| Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance | 3 – 5 |
| Schedule of Expenditures of Federal Awards | 6 – 8 |
| Notes to Schedule of Expenditures of Federal Awards | 9 |
| Schedule of Findings and Questioned Costs | 10 and 11 |
| Summary Schedule of Prior Year Findings..... | 12 |



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**Colleton County Council
of Colleton County
Colleton County, South Carolina
Walterboro, South Carolina**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Colleton County, South Carolina** (the "County"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Colleton County, South Carolina's basic financial statements, and have issued our report thereon dated December 27, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The script is cursive and fluid, with the ampersand being a simple cross.

Savannah, Georgia
December 27, 2021



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

**Colleton County Council
of Colleton County
Colleton County, South Carolina
Walterboro, South Carolina**

Report on Compliance for Each Major Federal Program

We have audited **Colleton County, South Carolina's** (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on The Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its other major federal program for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program, and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 27, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Savannah, Georgia
December 27, 2021

COLLETON COUNTY, SOUTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

| Federal Grantor/ Pass-through Grantor/ Program or Cluster Title | Federal CFDA Number | Pass-through Entity Identifying Number | Federal Expenditures | Sub-Recipient |
|---|------------------------------------|---|---------------------------------|----------------------|
| U.S. Department of Agriculture: | | | | |
| Passed through S.C. Department of Social Services Child and Adult Care Food Program | 10.558 | AR2-00108 | \$ 56,602 | \$ - |
| Total 10.558 | | | 56,602 | - |
| Passed through S.C. Department of Education Office of Health and Nutrition Child Nutrition Cluster Summer Food Service Program for Children | 10.559 | SF-6388 | 1,846,543 | - |
| Total 10.559 | | | 1,846,543 | - |
| Total U.S. Department of Agriculture | | | 1,903,145 | - |
| U.S. Department of Commerce: | | | | |
| Direct Economic Development Cluster EDA Economic Adjustment Assistance | 11.300 | 04-01-07417 | 32,862 | - |
| Total U.S. Department of Commerce | | | 32,862 | - |
| U.S. Department of Health and Human Services: | | | | |
| Passed through S.C. Department of Social Services Child Support Enforcement IV-D Incentive Payments | 93.563 | C70015C-4 | 38,645 | - |
| Child Support Enforcement IV-D Sheriff's Department | 93.563 | C70061C-3 | 1,930 | - |
| Child Support Enforcement IV-D Family Court | 93.563 | C70015C-3 | 159,285 | - |
| Total 93.563 | | | 199,860 | - |
| Total U.S. Department of Health and Human Services | | | 199,860 | - |
| U.S. Department of Homeland Security: | | | | |
| Passed through S.C. Department of Health and Environmental Control Pre-Disaster Mitigation ("PDM") Competitive Grant | 97.017 | PDMC-PJ-04-SC-2019-001 | 240,479 | - |
| Total 97.017 | | | 240,479 | - |
| Passed through S.C. Emergency Management Agency Disaster Grants - Public Assistance (Presidentially Declared Disasters) | 97.036 | 029-99029-00 | 119,528 | - |
| Total 97.036 | | | 119,528 | - |
| Passed through S.C. Emergency Management Agency Emergency Management Performance Grant | 97.042 | 19EMPG01 | 61,077 | - |
| Emergency Management Performance Grant | 97.042 | 18EMPG01 | 16,964 | - |
| Total 97.042 | | | 78,041 | - |
| Passed through S.C. Emergency Management Agency Hazard Mitigation Grant | 97.039 | DR-4286-SC-0045 | 1,508 | - |
| Total 97.039 | | | 1,508 | - |
| Total U.S. Department of Homeland Security | | | 439,556 | - |
| U.S. Department of Housing and Urban Development: | | | | |
| Passed through S.C. Department of Commerce: Community Development Block Grants | 14.228 | 4-A-20-002 | 193,040 | - |
| Community Development Block Grants | 14.228 | 4-CE-18-007 | 150,188 | - |
| Community Development Block Grants | 14.228 | 4-CI-19-004 | 272,964 | - |
| Community Development Block Grants | 14.228 | 4-NR-16-002 | 32,039 | - |
| Total 14.228 | | | 648,231 | - |
| Total U.S. Department of Housing and Urban Development | | | 648,231 | - |

(Continued)

COLLETON COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| Federal Grantor/ Pass-through Grantor/ Program or Cluster Title | Federal CFDA Number | Pass-through Entity Identifying Number | Federal Expenditures | Sub-Recipient |
|---|---------------------------|---|-------------------------|------------------|
| U.S. Department of Justice: | | | | |
| Direct | | | | |
| COVID-19 Coronavirus Emergency Supplemental Funding Program | 16.034 | 2020-VD-BX-1551 | \$ 39,620 | \$ - |
| | Total 16.034 | | 39,620 | - |
| Passed through S.C. Department of Public Safety | | | | |
| COVID-19 Coronavirus Emergency Supplemental Funding Program | 16.034 | 1CF20036 | 22,205 | - |
| COVID-19 Coronavirus Emergency Supplemental Funding Program | 16.034 | 1CF20072 | 30,103 | - |
| | Total 16.034 | | 52,308 | - |
| Passed through S.C. Office of the Attorney General | | | | |
| Crime Victim Assistance Grant | 16.575 | 1V20003 | 4,573 | - |
| Crime Victim Assistance Grant | 16.575 | 1V19035 | 7,913 | - |
| Crime Victim Assistance Grant | 16.575 | 1V19069 | 50,097 | - |
| Crime Victim Assistance Grant | 16.575 | 1V17092 | 2,429 | - |
| | Total 16.575 | | 65,012 | - |
| Passed through S.C. Office of the Attorney General | | | | |
| Violence Against Women Formula Grants | 16.588 | 1K19004 | 56,031 | - |
| Violence Against Women Formula Grants | 16.588 | 1K20015 | 185,813 | - |
| | Total 16.588 | | 241,844 | - |
| Direct | | | | |
| Bulletproof Vest Partnership Program | 16.607 | N/A | 2,844 | - |
| | Total 16.607 | | 2,844 | - |
| Total U.S. Department of Justice | | | 401,628 | - |
| U.S. Department of Transportation: | | | | |
| Direct | | | | |
| Airport Improvement Program | 20.106 | 3-45-0057-016-2017 | 23,563 | 23,563 |
| Airport Improvement Program | 20.106 | 3-45-0057-017-2019 | 1,625,505 | 1,625,505 |
| | Total 20.106 | | 1,649,068 | 1,649,068 |
| Passed through S.C. Department of Transportation | | | | |
| Highway Planning and Construction | 20.205 | LPA-3-17 | 390,000 | - |
| | Total 20.205 | | 390,000 | - |
| Passed through S.C. Department of Parks Recreation and Tourism | | | | |
| Recreational Trails Program | 20.219 | P28051900219 | 19,602 | - |
| | Total 20.219 | | 19,602 | - |
| Total U.S. Department of Transportation | | | 2,058,670 | 1,649,068 |
| U.S. Department of Treasury | | | | |
| Direct | | | | |
| Equitable Sharing Program | 21.016 | N/A | 37,004 | - |
| | Total 21.016 | | 37,004 | - |
| Passed through S.C. Department of Administration | | | | |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | 21.027 | SA-0280 | 118,882 | - |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | 21.027 | SA-0802 | 135,019 | - |
| | Total 21.027 | | 253,901 | - |
| Total U.S. Department of Treasury | | | 290,905 | - |
| U.S. Department of the Interior | | | | |
| Passed through S.C. Department of National Resources | | | | |
| Sport Fish Restoration | 15.605 | P24012412319 | 360 | - |
| | Total 15.605 | | 360 | - |
| Total U.S. Department of the Interior | | | 360 | - |

(Continued)

COLLETON COUNTY, SOUTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

| Federal Grantor/ Pass-through Grantor/ Program or Cluster Title | Federal CFDA Number | Pass-through Entity Identifying Number | Federal Expenditures | Sub-Recipient |
|--|------------------------------------|---|---------------------------------|----------------------------|
| U.S. National Endowment for the Humanities | | | | |
| Passed through S.C. State Library | | | | |
| Grants to States | 45.310 | IIID-19-114 | \$ 528 | \$ - |
| COVID-19 Grants to States | 45.310 | IID-CA-07 | 3 | - |
| | Total 45.310 | | <u>531</u> | <u>-</u> |
| Total U.S. National Endowment for the Humanities | | | <u>531</u> | <u>-</u> |
| U.S. National Endowment for the Arts | | | | |
| Passed through S.C. Arts Commission | | | | |
| Promotion of the Arts Partnership Agreement | 45.025 | | 832 | - |
| | Total 45.025 | | <u>832</u> | <u>-</u> |
| Total U.S. National Endowment for the Arts | | | <u>832</u> | <u>-</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 5,976,580</u> | <u>\$ 1,649,068</u> |

COLLETON COUNTY, SOUTH CAROLINA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Colleton County, South Carolina (the "County") and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The County chose not to use the 10% de minimis cost rate for the fiscal year ended June 30, 2021.

NOTE 3. NON-CASH AWARDS

The County did not receive non-cash federal awards during the year ended June 30, 2021.

COLLETON COUNTY, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

___ Yes X No

Significant deficiencies identified not considered
to be material weaknesses?

___ Yes X None Reported

Noncompliance material to financial statements noted?

___ Yes X No

Federal Awards

Internal control over major programs:

Material weaknesses identified?

___ Yes X No

Significant deficiencies identified not considered
to be material weaknesses?

___ Yes X None Reported

Type of auditor's report issued on compliance for
major programs

Unmodified

Any audit findings disclosed that are required to be
reported in accordance with the Uniform Guidance?

___ Yes X No

Identification of major programs:

CFDA Number

20.106

Name of Federal Program or Cluster

Department of Transportation

Airport Improvement Program

Dollar threshold used to distinguish between
Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

X Yes ___ No

COLLETON COUNTY, SOUTH CAROLINA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

**SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None reported.

COLLETON COUNTY, SOUTH CAROLINA

SCHEDULE OF PRIOR YEAR FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

None reported.